natal care. I respectfully submit, together with the additional provision for health, education and other social sectors, the Budget certainly will strengthen the bias in favour of the poor.

Also I would say that as regards agriculture, the totality of the Economic Policy that we have pursued is to strengthen our agriculture. I think, Shri Dalmia mentioned about the negative subsidisation of agriculture. But, what is the cause of this negative subsidisation? The negative subsidisation of agriculture in this country is mostly because we have given excessive protection to industry. We are gradually reducing that level of protection for industry. We are doing so at a pace which will not hust the industrial growth, out we are reducing it. From about 300% level of duties we have brought them to a maximum of 50%. This process certainly reduces the anti-agriculture bias built into the previous policy of import substitution.

Simultaneously, in the last few years, we have given remunerative prices which cover more than the increase in cost on account of fertilizers and other things. And the proof is there in terms of the fact that today the public sector procurement agencies are able to mop up nearly 90% of the market surplus. That itself is an indication that our farmers find these prices far more remunerative than ever before. Our Government is committed to taking all possible steps to improve the conditions of agriculture and to increase our agricultural productivity. It is because of that some concern was expressed both in this House and outside that agricultural investment is not increasing fast enough. That is why I came up with this proposal of a special fund in NABARD to accelerate the completion of vital irrigation projects, small and medium projects, watershed development, soil conservation and programme of dealing with environmental degradation in the rural areas.

Similarly, programmes of strengthening the village and cottage industries through a consortium of lending of Rs. 1,000 crores; additional provisions for handloom workers to borrow from the commercial banks all these facilities are designed to strengthen the anti poverty, the pro-poor bias of our economic policies. With these words, I conclude by requesting this House to endorse the Budget proposals that are before the House.

THE VICE-CHAIRMAN (SHRI V. NARAYANASAMY): Thank you. Now, we will take up the Finance Bill. Mr. Minister, you have to move the Finance Bill.

THE FINANCE BILL, 1995

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Sir, I beg to move:

> "That the Bill to give effect to the financial proposals of the Central Government for the financial year 1995-96 be taken into consideration and returned."

Sir, while presenting the Budget on 15th March, 1995, I had explained the salient features of the proposals contain in the Finance Bill.

I feel gratified by the amount of interest, discussion and debate that the Budget has generated. Hon'ble Members from both the Houses have made useful suggestions. Many suggestions have also been received from members of the public trade unions, chambers of commerce, professional bodies and voluntary organisations, I would like to assure the Hon'ble Members that we have very carefully considered all the points which have been made. On the basis of the discussion we have had on these suggestions, certain amendments to the Finance Bill were moved in the Lok Sabha. These have been accepted and incorporated in the Bill as passed by the Lok Sabha. I seek the indulgence of the

Hon'ble Members to explain these amendments.

In my Budget speech on 15th March, 1995, I had proposed a five-year tax holiday for the development of transport infrastructure. Under the proposed scheme, the five-year period is counted from the year in which the infrastructure facility becomes operational. I now propose to allow entrepreneurs to choose the initial year from which they can avail of the tax holiday within a span of the first twelve years of operation.

In order to widen the tax base, the Finance Bill contained a proposal for deduction of tax at source, at the rate of ten per cent of the payments made by persons other than individuls and Hindu undivided families by way of fees for professional and technical services. I propose to reduce this rate from ten per cent to five per cent.

In the Finance Bill, I had proposed to enlarge the ambit of deduction of tax at source by including payments made by persons other than individuals and Hindu undivided families in pursuance of contracts for advertising, broadcasting and telecasting transport and catering. The proposed tax deduction is at the rate of two per cent of gross receipts. I propose to reduce this deduction from two per cent to one per cent of gross receipts in the case of advertising agencies.

The Finance Bill provides that items of plant and machinery costing less than Rs. 5000 will, henceforth, form part of a block of assets and be allowed depreciation at the rate specified in the income-tax Rules. I have received representation from professional bodies stating that this amendment will be harsh on them because books purchased for professional purposes will no longer be allowed full deduction in the year of the purchase. In deference to their wishes, I propose to allow 100 per cent depreciation of cost of books purchased or professional purposes in the year of purchase. Necessary amendment will be made in the Income-tax Rules.

In regard to indirect taxes I have already taken action in such cases wherever immediate relief was warranted. I would like to briefly mention the changes which have already been made.

In the budget proposal for 1995-96, additional excise duty in lieu of sales tax was imposed on cotton hosiery. Agreeing with many Honourable Members of both the Houses who requested for restoration of the exemption from additional excise duty, I have restored the exemption on cotton hosiery.

I had made a provision that the exemption from additional excise duty on certain textile processes like calendering, stentering etc. will not apply if the factory has got facilities for bleaching, printing or dyeing. It was brought to my notice that these provisions had created certain practical problems for the industry. I have since restored the exemption from additional excise duty as was prevailing before the presentation of budget for 1995-96.

Sir, In the original budget proposal, I had imposed a uniform excise duty of 20% on all branded miscellaneous edible preparations. It was represented to me that this would affect even the sweetmeats and snack manufacturers, which was certainly not my intention. I have consequently fully exempted sweetmeats and snacks from payment of excise duty.

I have also reduced the import duty on a number of inputs used for the manufacture of gas discharge tubes thermistors to 15%. In order to encourage the growth of domestic printed circuit board industry, import duty on inputs for copper clad laminates for printed circuit boards varying from 40% to 50% has also been reduced to 15%.

As an anti-evasion measure, I have proposed a minimum excise duty of Rs. 11.50 per kg on fibre or filament waste. I

now propose that these rates would apply only to manufacturers of fibre and filament yarns from basic stages. In respect of waste generated by independent spining or weaving units, I propose to fix a uniform basic duty of 20% advalorem for all types of wastes.

Copper sulphate is used as pesticide in coffee, cardamom, pepper and cocoa plantations. Several hon. Members from Kerala have represented to me on the subject. Acceding to their requests, I propose to reduce the excise duty on copper sulphate from 20% to 10%.

I also propose to fully exempt from basic excise duty braids, ornamental trimmings, etc., not subjected to any process and rubberised fabrics.

In the budget, had reduced the excise duty on China and porcelain ware to 15%. I am now proposing to reduce excise duty on kitchenware, tableware etc. made of glass also to 15%.

I am proposing to add 3% more life saving drugs in the list of drugs fully exempted from payment of import duty and to fully exempted from payment of import duty and to fully exempt from import duty a number of items of medical equipment which are used in dentistry and for treatment of diseases of ear or throat.

Sir, Manufacturers of pressure cookers have represented that the prices of aluminium circles are unduly high. As a measure of relief, I am proposing to reduce import duty on wrought aluminium products including aluminium circles from 40% to 25%.

To help the printing industry, I had reduced import duty on paper and paper board from 65% to 40% in the original budget proposals for 1995-96. However, I understand that because of steep increase in international prices of paper even this level of duty reduction is not adequate. I, therefore, propose to reduce the import duty on paper and paperboard from 40% to 20%.

To help in proper storage of foodgrains and reduce losses thereof. I am proposing to reduce import duty on agricultural silos to 25%, which is the same as the general rate of duty on capital goods for industry.

Button cells are used in electronic watches and cameras and are often smuggled. I am proposing to reduce the import duty on button cells from 50% to 25%.

In my original budget proposals, import duty on black and white picture tubes was reduced from 30% to 25%. I am now proposing to reduce the import duty on glass parts and shells of picture tubes from 30% to 25%.

Journals and books printed on paper are fully exempted from customs duty, but if they come in the form of computer readable media, such as C.D. ROM and floppy diskettes, the duty rate is 50%. I propose to reduce the import duty on C.D. ROM and floppy diskettes to 25%.

Several Honourable Members have brought to my notice that by reducing the import duty on carbon black to 50% and having a duty of 40% on its raw material, carbon black feedstock, the differential between the duties has been reduced. I, therefore, propose to restore the pre-budget level of import duty of 30% on carbon black feedstock instead of 40% as proposed in the budget. On napthalene, also a raw material, the pre-budget level of 30% is being restored.

I have also proposed certain amendments to the Finance Bill seeking to make some changes in the excise and customs tariff. These amendments are generally of technical nature and have no revenue significance.

The exemption notifications relating to the above changes in indirect taxation will be laid on the table of the House in due course.

I hope Honourable Members will agree that with the changes now proposed to be made, the tax changes in the Budget

achieve the objective of giving a boost to the economy, while avoiding any burden on the common man, and indeed providing relief in some critical areas, Sir, I trust that this Bill, as passed by the Lok Sabha, will receive the unanimous support of this Hosue.

Sir, I move.

The question was proposed.

श्री राघवजी (मध्य प्रदेश): उपसभाध्यक्ष जी, मैं वित्त विधेयक, 1995 पर बोलने के लिए खड़ा हुआ हूं। अभी सदन सामान्य बजट पर बहस कर रहा था और उसके समापन पर माननीय वित्त मंत्री जी के भाषण को सुनने का अवसर मिला है। माननीय वित्त मंत्री जी निस्संदेह अपने फन में माहिर हैं, अपना प्रकरण बहुत कुशलतापूर्वक और चतुराई से रखते हैं। उनकी वाणी भी मधुर है और अपनी मधुर वाणी के साथ उन्होंने कड़वी दवाई हम सब लोगों के गले में उतारने की कोशिश की है। यहां तो हम पी भी लेंगे, लेकिन जिन लोगों को भुगतना है, जिनको टैक्स चुकाना है, एक्साइज़ ड्यूटी चुकानी है, कस्टम चुकाना है, वे शायद बगैर आंसू बहाए इस दवा को अपने गले उतार नहीं पायेंगे। महोदय, वित्त मंत्री जी ने जो कुछ घोषणाएं बजट में की हैं और उन को इस ढंग से प्रस्तुत किया है, उदाहरण के रूप में गरीबी हटाने वाली, मध्यान्ह भोजन वाली, राष्ट्रीय राजमार्ग और एक्सप्रेस हाइवेज बनाने वाली—मानो जब यह वर्ष समाप्त होगा मार्च, 1996 में तब इस धरती पर स्वर्ग उतर आएगा। लेकिन मुझे जानकारी नहीं कि कभी वित्त मंत्रीजी गांवों में जाते हैं या नहीं, पिछड़े गांवों में और खास तौर से जहां पर कि पीने का शुद्ध पानी नहीं है, जहां पर कि बच्चे नंग-धड़ंग घूमते हैं, पुरुष और महिलाएं भी अधनंगी और भूखी रहती हैं, जहां पर कि दूर-दूर तक सड़कों का नाम नहीं है वहां वे गए हैं या नहीं? उनकी इस कर्ज से भरी व्यवस्था में 30 प्रतिशत ब्याज चुकाने के बाद जो कुछ बचता है, उस से पिछले गांवों की स्थिति कितनी सुधर पाएगी, यह मैं नहीं कह सकता।

महोदय, सामान्य बजट पर बहस हो चुकी है और इस पर कई माननीय सदस्यों ने अपने विचार व्यक्त किए हैं, इसलिए उन बातों की ज्यादा चर्चा न करते हुए मैं अपने आप को विशेषकर प्रत्यक्ष कर और वह भी आयकर अधिनियम व खास तौर से जो छोटे करदाताओं की समस्याएं हैं, उन पर ही अपनी बातों को केन्द्रित रखूंगा। महोदय, सब से पहले मैं यह निवेदन करना चाहता हूं कि आयकर अधिनियम सन् 1961 में बना था। इसकी 300 से अधिक धाराएं हैं और एक-एक धारा में कई उपधाराएं और उपधाराओं की भी कितनी सहायक धाराएं हैं। महोदय, धारा-80 में अंग्रेजी के जितने अल्फाबेट्स हैं—ए से जेड़ तक, वह भी कम पड़ रहे हैं, इसीलिए उसमें और भी जोड़ने पड़े हैं। उसे सरल करने के बजाय और जटिल किया गया है। महोदय, अभी इस विधेयक में धारा-158 जोड़ी गयी है। उस में जो एक धारा थी, वहां पूरा चैप्टर जोड़ दिया गया है। धारा-158 (बी) को "ए" से "जेड" तक कर दिया गया है। उसके बीच-बीच में बहुत सी उप-धाराएं हैं और बहुत से सर्कुलर्स और नोटिफिकेशंस हैं और उन धाराओं, उप-धाराओं, सुर्कुलर्स और नोटिफिकेशंस के जंगल में बेचारा छोटा करदाता फंस जाता है और उसे समझ नहीं आता कि कानून में कौनसा बदल कब हो गया? जब यह पता चलता है और आयकर अधिकारी का डंडा घूमता है और बड़ी-बड़ी शास्तियां जब उस को लगती हैं तब उसे पता ही नहीं चलता कि यह उस के ऊपर क्यों गुजर रही है? इसलिए मैं माननीय वित्त मंत्री जी से निवेदन करना चाहूंगा कि अब समय आ गया है कि नया आयकर अधिनियम बनाया जाये। महोदय, इस संबंध में पूर्व में भी अनेक बार आश्वासन दिए जा चुके हैं, किंतु आज तक इसे क्रियान्वित करने के लिए कोई कदम नहीं उठाए गए हैं। मैं चाहूंगा कि आप इस के लिए आज से ही शुरूआत कर दें। कोई कमीशन या कोई कमेटी नियुक्त करें जिसमें कि वित्त विभाग के विशेषज्ञ हों, जिस में व्यापारी और उद्योगपतियों के विशेषज्ञ हों, वकीलों के विशेषज्ञ हों और माननीय संसद सदस्य भी उस कमेटी में जोड़े जाएं। और वह अपनी रिपोर्ट प्रस्तुत

5.00 P.M.

करे, आयकर अधिनियम जो जटिल बन गया है, इसको सरल करने के लिए नया आयकर विधान प्रस्तुत करे। इसमें गिफ्ट टैक्स को समाविष्ट किया जा सकता है, धनकर को भी इसी में समाविष्ट किया जा सकता है और तभी यह वास्तव में सिम्पलीफिकेशन होगा वरना केवल शब्दों से कह देने से सरलीकरण और युक्तियुक्त—करण नहीं होगा। इसलिए आज सबसे बड़ी आवश्यकता इस बात की है कि आयकर अधिनियम सरलीकृत रूप में नया बनाया जाए। जितनी जल्दी हो सके इसे बनाया जाए और लागू किया जाए।

उपाध्यक्ष महोदय, आयकर विभाग में निरंतर भ्रष्टाचार बढ़ता जा रहा है। मुझे ताज्जुब होता है कि मनमोहन सिंह जी जैसे वित्त मंत्री के होने के बावजूद, जिनकी अच्छी

खासी पकड़ हो सकती है, भ्रष्टाचार पर नियंत्रण क्यों नहीं हो पा रहा है? आज से बीस साल पहले जितना भ्रष्टाचार इस विभाग में था, उससे कई गुना आज व्याप्त है। इसके लिए जिम्मेदार, कानून जिस हद तक बना हुआ है, वह भी है। अगर कानून सरल हो जाता है तो भ्रष्टाचार आधा हो सकता है। कुछ अन्य बातें भी इसके लिए जिम्मेदार हैं, लेकिन इसके निवारण के लिए आज तक कोई ठोस कदम नहीं उठाए गए हैं बल्कि इस वित्त विधेयक में कुछ और ऐसी बातें जोड़ दी गई हैं, जो भ्रष्टाचार को बढ़ावा ही देंगी, कम नहीं करेंगी। इन नए प्रावधानों का क्या असर होगा, इस पर भी बहुत गहराई से विचार नहीं किया गया। अधिकारियों के अधिकार कम न हो जाएं, उनके अधिकार ज्यादा रहें, उनके सामने सब लोग सजदा करके खड़े रहें और ऐसी स्थिति बनी रहे, इसलिए अधिकारी वर्ग कानून को जटिलतम बनाकर रखते हैं, जिसका परिणाम भुगतना पड़ता है अनेकों निर्दोष करदातओं को। इसलिए इस बात पर अवश्य विचार करना चाहिए।

महोदय, मूल विचारधारा में परिवर्तन होना जरूरी है क्योंकि कानून बनाते वक्त यह मानकर चला जाता है कि जो कर देते हैं वे चोर हैं, वे टैक्स की चोरी कर रहे हैं, प्रावधानों का पालन नहीं कर रहे हैं और इसीलिए इस प्रकार के प्रावधानों की व्यवस्था की जाती है। जो बड़े कष्टदायक होते हैं। ठाकुर साहब ने बहुत ठीक कहा है कि बगैर आंसूओं के कर लगाओ तो ठीक है, लेकिन आंसू बहाते जाओ और कर बढ़ाते जाओ, इस तरह की कर पद्धति ठीक नहीं है। इसीलिए मेरा आपसे निवेदन होगा कि आयकर विभाग में जो भ्रष्टाचार बढ़ता जा रहा है, इस पर नियंत्रण करना बहुत जरूरी है। आयकर की मुक्ति सीमा के संबंध में माननीय वित्त मंत्री जी ने बड़े उदार होकर इस सीमा को 35,000/- रुपए से बढ़ाकर 40,000/- रुपए कर दिया, लेकिन वास्तव में अगर देखा जाए तो यह कोई सीमा में छूट नहीं है।

[उपसभाध्यक्ष (श्री मोहम्मद सलीम) पीठासीन हुए।]

महोदय, सन् 1981 में आयकर मुक्ति सीमा 15,000/- रुपए थी और अगर 1981 के 15,000/- रुपए का मूल्य आज की तारीख में देखा जाए तो यह 52,500/- रुपए के बराबर है। इस वर्ष यह जो 40,000/- रुपए की सीमा रखी गई है, यह छूट देना तो दूर रहा बल्कि हमको, करदाताओं को ज्यादा ही टैक्स देना पड़ेगा। अगर कीमतों के अनुपात के अनुसार ही इसकी छूट सीमा बढ़ा दी जाए तो उससे कुछ संतोष हो सकता है। इसीलिए मैंने यह प्रस्ताव किया है और मैं सुझाव दे रहा हूं कि न्यूनतम आयकर की छूट 50,000/- रुपए की जाए। इसके जो स्लैब बनाए गए हैं उनमें भी परिवर्तन करने की आवश्यकता है और ये स्लैब निम्न प्रकार से किए जा सकते हैं:—

50,000 तक	:	शून्य
50,000 से 1,00,000 तक	:	20 प्रतिशत
1,00,000 से 2,00,000 तक	:	30 प्रतिशत
2,00,000 से ऊपर	:	40 प्रतिशत

माननीय उप-सभाध्यक्ष जी, चलैया कमेटी नियुक्त हुई थी और उन्होंने आज से 7 साल पहले सुझाव दिया था कि 2,00,000 रुपए से ऊपर आय होने पर ही 40 प्रतिशत कर लगना चाहिए। वास्तव में तब के 2,00,000 और आज के 2,00,000 में बहुत अंतर है, लेकिन आज जो 40 प्रतिशत कर लग रहा है वह 1,20,000 पर लग रहा है और इसमें सुधार करने की जरूरत है।

माननीय वित्त मंत्री जी ने 35,000 रुपए की सीमा को 40,000 रुपए कर दिया, लेकिन मुझे समझ में नहीं आता कि उन्हें अभी तक हिन्दू परिवार से इतनी नाराज़गी क्यों है? उसकी सीमा में कोई भी परिवर्तन नहीं, वह आज भी 18,000 पर कायम है, उसमें भी परिवर्तन होना आवश्यक है। इसलिए मैं वित्त मंत्री जी से निवेदन करना चाहूंगा कि इस सीमा को बढ़ाकर कम से कम 24,000 कर दिया जाए ताकि थोड़ा-बहुत न्याय उनके साथ भी हो जाए।

इसके बाद मैं कहना चाहता हूं कि अभी तक धारा 80 एल में जो छूट थी, वह 10,000 रुपए की थी, उसे इस वित्त विधेयक में 13,000 कर दिया गया है, मैं उसका स्वागत करता हूं। लेकिन सब जानते हैं कि 13 का अंक शुभ नहीं, अशुभ है, इसलिए मैं कहना चाहूंगा कि यदि इसको 13,000 से बढ़ाकर आप 15,000 कर दें तो अच्छा रहेगा और इससे थोड़ा-बहुत लाभ कर-दाताओं को भी हो जाएगा तथा इससे बैंकों में निवेश करने की प्रवृत्ति को भी बढ़ावा मिलेगा और इससे कोई घाटा शासन को या वित्त मंत्री जी को होने वाला नहीं है।

एक क्लाज़ है 4(ɔ), जिसमें यह प्रावधान किया गया है कि अल्पसंख्यकों के हितों के लिए कोई कमीशन होगा या आयोग तो उसकी आमदनी पर कर में छूट दी गयी है। अब मुझे समझ में नहीं आता कि हर बात को इस रूप में, साम्प्रदायिक रूप में क्यों रखा जाता है? अल्पसंख्यक हितों वाला ही आयोग क्यों? मानव कल्याण के जितने भी आयोग बने है और उनमें आय

जिस-जिस आयोग को भी होती है, सब को छूट क्यों नहीं दी जाती? यह विशेषकर माइनॉरिटीज़ को जोड़ने की आवश्यकता क्यों पड़ी? क्या आपकी निगाह उनके वोटों पर है और क्या इस मामले में भी इस नज़रिए से सोचा जाएगा? मैं समझता हूं कि यह छूट अगर देनी है तो जितने भी ऐसे कारपोरेशन्स हैं, जिनकी आमदनी जन-हितार्थ खर्च हो रही है, उन सबकी आमदनी को ही आयकर से मुक्त कर देना चाहिए और उसमें अपसंख्यक या बहुसंख्यक का झगड़ा नहीं डालना चाहिए।

अभी माननीय वित्त मंत्री जी ने बड़े उदार होकर धारा 37 में जो क्लाज़ 7 के द्वारा संशोधन किया गया है, उसमें उदार होकर पुस्तकों के ऊपर शत-प्रतिशत छूट देने की घोषणा की है। मैं माननीय वित्त मंत्री जी से निवेदन करना चाहूंगा कि पुस्तक ही एक ऐसी वस्तु नहीं है जो इस प्रकार की वस्तुओं की गिनती में आती हो, ऐसी अनेक वस्तुएं हैं जिनका शायद आपने अनुमान नहीं लगाया है और यह 5,000 की छूट का जो प्रावधान है, इसको आप ब्लॉक असेट्स के साथ मत जोड़िए, इसको यथावत रखिए। 5,000 तक की जितनी भी खरीद किसी भी वस्तु की हो, उसको शत-प्रतिशत छूट में आप रखिए वरना इससे कम्पलीकेशन्स बढ़ेगी, परेशानियां बढ़ेगी और उससे रिवेन्यू का भी कोई लाभ होने वाला नहीं है। यह एक प्रतिगामी कदम माननीय वित्त मंत्री ने अपने वित्त विधेयक में प्रस्तुत किया है। पता नहीं इसकी क्या आवश्यकता रही होगी, मुझे लगता है कि माननीय वित्त मंत्री जो आजकल कार्यों के बोझ से इतने अधिक दबे हुए हैं कि उनके अधिकारी क्या-क्या उनके सामने प्रस्तुत करते हैं उसको गहराई से पढ़ने का उनको अवसर नहीं मिलता होगा और इसलिए यह यह और दूसरी अन्य त्रुटियां हो गई होंगी, इसलिए उनमें सुधार करने की आवश्यकता है।

इसी प्रकार क्लाज़ 13 में, क्लाज़ 13 लाने की अभी बिल्कुल आवश्यकता नहीं है। ऑडिट रिपोर्ट प्रस्तुत होती है, आयकर विवरणी के साथ करदाता उसको प्रस्तुत करता है, प्रस्तुत न करने पर भारी जुर्माने के प्रावधान आज भी है। लेकिन अब उसके साथ एक बात और जोड़ दी गई कि यह जो आयकर विवरणिका, आयकर रिपोर्ट भले ही प्रस्तुत की गई है या नहीं की गई है लेकिन आडिट रिपोर्ट अगर एक समय के अंदर प्रस्तुत नहीं की जाएगी तो उसके ऊपर जुर्माना एक लाख रुपए तक हो सकता है या जितना टर्न-ओवर होगा, उसका आधा प्रतिशत तक हो सकता है। इस प्रावधान का क्या मतलब है? अगर जिसने आडिट रिपोर्ट करवाई है, विवरण के साथ अपनी आडिट रिपोर्ट पेश कर रहा है अथवा आप नोटिस देकर उसकी आडिट रिपोर्ट मंगवा सकते हैं लेकिन अगर वह रिटर्न प्रस्तुत नहीं कर पाया तो उसको वह प्रस्तुत करना चाहिए। इस प्रावधान में कई लोगों से चूक होगी और फिर अधिकारियों को भ्रष्टाचार करने का अवसर मिलेगा। वे एक लाख के जुर्माने का प्रावधान दिखा-दिखा कर अपनी जेब में कितना रख ले जाएं, इसका कोई ठिकाना नहीं है लेकिन शासन को इससे कोई लाभ होने वाला नहीं है। इसलिए क्लॉज 13 की बिल्कुल आवश्यकता नहीं है, इसको बिल्कुल हटाया जाना चाहिए।

फिर इसी प्रकार से क्लॉज 24 में तलाशी के संबंध में बहुत सारे नए नियम-कानून बनाए गए हैं। मैं समझता हूं कि इनमें से किसी की आवश्यकता नहीं है और 60 प्रतिशत उसके ऊपर फ्लैट रेट पर आय कर लगाने की बात कही गई है। वर्तमान में यह व्यवस्था है कि कोई भी व्यक्ति तलाशी के समय में अपनी जो आय घोषित कर देगा, उसको मैक्सिमम रेट यानि 40 परसेंट के ऊपर से टैक्स देना पड़ता है और उतना देने से ही काफी कुछ लिटिगेशन कम होता है लेकिन यह 60 प्रतिशत लगाने से सारा मामला उलट जाएगा और यह गाड़ी पीछे की ओर जा रही है और मुझे ऐसा लगता है कि इस प्रकार के प्रावधानों की बिल्कुल आवश्यकता नहीं है। वर्तमान में जो प्रावधान हैं, वे ठीक हैं, अच्छे हैं और इनको बदलने की आवश्यकता नहीं है।

पिछली बार धारा 115 को लागू किया गया था। कोई भी व्यक्ति, कोई भी नया व्यक्ति जो करदाता बनना चाहता है और जो समझता है कि उसकी आय न्यूनतम सीमा से पांच हजार रुपए अधिक है तो वह एक प्रारूप पर अपना विवरण प्रस्तुत कर देगा, 1400 रुपए टैक्स जमा कर देगा और उसके बारे में फिर अन्य कोई पूछताछ नहीं होगी हालांकि उसमें भी बहुत से किंतु-परन्तु लगे हैं जो वास्तव में नहीं होने चाहिए थे और उसके कारण से धारा 115 के ऊपर आम जनता में आकर्षण नहीं था। लेकिन पता नहीं बोर्ड ऑफ रिवेन्यू से क्या शक्ति का डंडा या फरमान जारी हुआ कि सारे देश भर में आयकर अधिकारियों ने बारह महीनों में से आठ महीने इस काम में गुजारे कि वे घर-घर जाएं, दुकान-दुकान जाएं और लोगों को दबाएं, लोगों को धमकाएं और उनको 1400 रुपए भरने के लिए मजबूर करें। माननीय वित्त मंत्री जी, यह हुआ है पूरे देश के अंदर और मुझे मध्य प्रदेश का तो विशेष रूप से अनुभव है कि यह प्रायः सभी जिलों में हुआ है। अब उसमें से कितने पैसे आय कर निरीक्षक की जेब में गए,

कितने पैसे आयकर अधिकारी की जेब में गए और कितने पैसे सरकारी खजाने में गए, आमदनी तो जरूर आपकी बढ़ी है लेकिन लोगों के कष्ट इसमें बहुत बढ़े हैं। वास्तव में तो धारा 115(क) का उद्देश्य यह था कि स्वैच्छा से लोग आकर अपना विवरण-पत्र प्रस्तुत करते और उसके लिए वे लालायित होते विवरण-पत्र भरने के लिए लेकिन आपने इसको उलटी दिशा में घुमा दिया और इसलिए यह कष्टदायक हो गया। इसका सरलीकरण करने की आवश्यकता है। इसमें केवल नए करदाता जुड़ें, यह जरूरी नहीं है लेकिन पुराने भी करदाता जो यह समझते हैं कि उनकी आमदनी छूट से पांच हजार रुपए से अधिक नहीं है तो वे बिना लेखा-पुस्तक रखे हुए भी उसके अंदर विवरण-पत्र भर सकते हैं। पुराने होते हुए भी भर सकते हैं, यह उसमें छूट कर देनी चाहिए। और 1400 रुपए के बजाय 1000 रुपए तक ले आइए। भले ही उसकी इनकम पांच हजार से ऊपर, सात के बजाय पांच हजार अधिक कर लेंगे तो वह एक हजार तक आ जाएगी, वह सरल हो जाएगा, लोग अपने आप भरने आएंगे लेकिन जो अलग-अलग इस प्रकार के निर्देश गए और सारे आयकर अधिकारी उसमें पिल पड़े इस काम के लिए, इससे यह धारा बहुत कष्टदायी बन गई है और इसलिए इसमें विशेष रूप से मेरा निवेदन है कि कुछ आवश्यक परिवर्तन करने की आवश्यकता है। इसी प्रकार से क्लाज़ 30 की ओर मैं आपका ध्यान आकर्षित करना चाहता हूं जिसमें यह प्रावधान किया गया है कि किन-किन व्यक्तियों को परमानेंट अकाउंट नम्बर लेने के लिए आवेदन करना पड़ेगा। जो दो तीन प्रावधान है, उनमें से एक प्रावधान मैं आपको पढ़ कर सुना रहा हूं—

"139A.(1) Every person;—
(ii) carrying on any business or profession whose total sales, turnover or gross receipts are or is likely to exceed fifty thousand rupees, in any previous year."

अगर किसी व्यक्ति की प्राप्तियां 50 हजार रुपये हैं या विक्रय 50 हजार रुपये से अधिक होने की संभावना हो तो उसको परमानेंट अकाउंट नम्बर के लिए आवेदन देना चाहिये। इस धारा की क्या आवश्यकता है? क्या 50 हजार रुपये की बिक्री करने वाला व्यक्ति आय कर की श्रेणी में आ सकता है? क्या 50 हजार रुपये जिसकी ग्रांस रिसीट्स हों वह आय कर की श्रेणी में आ सकता है? अगर वह नहीं आ सकता है तो उसको परमानेंट नम्बर के लिए आवेदन देने की क्यों आवश्यकता है? एक हाथ का ठेला चलाने वाला व्यक्ति मजदूरी करके डेढ़ सौ रुपया रोज़ प्राप्त करता हो, उसके खर्चे भी कुछ लगते होंगे लेकिन वह आय कर की श्रेणी में फिर भी नहीं आता है। इसी प्रकार से एक चाट का खोमचा लगाने वाला, पान का छोटा खोमचा लगा कर जो खड़ा होगा या कोई मूंगफली बेचने वाला भी होगा, वह डेढ़ सौ रुपये की मूंगफली बेच सकता है लेकिन उसकी आमदनी वर्ष में 15 हजार रुपये से अधिक नहीं होगी, लेकिन आपके इस प्रावधान के अनुसार उसको भी परमानेंट अकाउंट नम्बर के लिए आवेदन करना पड़ेगा नहीं तो सज़ा भुगतनी पड़ेगी। इस प्रकार के एक नहीं, कई प्रावधान हैं। यह तो मैंने नाम के लिए आपके समक्ष प्रावधान प्रस्तुत किया है, इस प्रावधान को तुरंत हटा दिया जाए। वास्तव में परमानेंट अकाउंट नम्बर देने की जिम्मेदारी विभाग की होनी चाहिये। उसके लिए करदाता को आवेदन करने की आवश्यकता नहीं होनी चाहिये। जो व्यक्ति अपना विवरण पत्र प्रस्तुत कर रहा है, जिस व्यक्ति कर निर्धारण हो रहा है, आय कर विभाग की जिम्मेदारी होनी चाहिये कि वह उसको परमानेंट अकाउंट नम्बर प्रदान करे। इसके लिए आय कर अधिकारी दोषी हो सकता है लेकिन कर दाता पर यह जिम्मेदारी नहीं डालनी चाहिये कि वह परमानेंट अकाउंट के लिए आवेदन करे। आयकर अधिनियम में ऐसे बहुत सारे प्रावधान है जो कार्य वास्तव में आय कर विभाग को करना चाहिये और करवाया जाता है कर दाता से। जैसे टी० डी० एस० के प्रावधान है, वह भी इसी प्रकार के हैं। आखिर कोई व्यक्ति किसी दूसरे व्यक्ति से टैक्स काट कर आपके खजाने में जमा कर रहा है। उसके लिए यह फार्म भरो, वह फार्म भरो, अगर टाइम पर जमा नहीं किया, तो दो सौ रुपये जुर्माना भुगतो। अगर टैक्स काटने के बाद जमा करने में कोई चूक हो गई तो दो सौ रुपया जुर्माना भरना पड़ता। है। वह आपकी सेवा कर रहा है, दूसरों से टैक्स काट कर आपके खजाने में पैसा जमा कर रहा है। टी० डी० एस० को और अधिक क्षेत्रों में लाने की आवश्यकता नहीं है चाहे वह प्रोफेशनल फीस के रूप में किसी को भुगतान किया गया हो, चाहे दलाली के रूप में भुगतान किया हो, अब नये प्रावधान टी० डी० एस० के लिए नहीं जोड़ने चाहियें लेकिन दुर्भाग्य यह है कि और प्रावधान इसमें जोड़े गये हैं, नये नये क्षेत्रों पर भी यह प्रावधान लागू किये गये है। यह स्रोत पर जो कटौती है, इसे आप बंद कर दीजिये। वास्तव में यह ड्रेकोनियन कानून है। जो आदमी सेवा कर रहे हैं, उनको आप सज़ा दे रहे हैं और ज्यादा दायरे में फंसाने की कोशिश कर रहे

इसी प्रकार से माननीय उपसभाध्यक्ष जी, क्लाज 31 में लेखा पद्धति के बारे में कहा गया है। लेखा पद्धति के बारे में जब यह क्लाज 31 डाला होगा तब शायद माननीय वित्त मंत्री जी ने केवल उन्हीं लोगों का विचार किया होगा जो बड़े-बड़े औद्योगिक घराने वाले हैं। उनको यह कल्पना नहीं हुई कि हिन्दुस्तान में छोटे-छोटे व्यापारी भी हैं जो 500 रुपए माहवार का मुनीम भी नहीं रख सकते हैं, जो स्वयं भी पढ़े लिखे नहीं हैं, जो एकाउंट्स के बारे में कुछ नहीं जानते हैं। वे इतना खर्च भी नहीं कर सकते, उनकी आमदनी भी नहीं है कि वे मुनीम का भुगतान कर सकें। ऐसे लोगों के ऊपर आप क्यों बोझ डालना चाहते हैं। जो वर्तमान प्रावधान है उसको क्यों और जटिल बनाना चाहते हैं। अब यह कह दिया गया कि पद्धति कैसी होनी चाहिए, या तो कैश हो या मर्केन्टाइल हो। लेकिन एक तीसरी पद्धति है जो मान्य पद्धति भी है और वह मिश्रित पद्धति है। अब मिश्रित पद्धति वाला कोई मामला आ गया तो समझ लो कि उसकी मौत ही आ गयी। उसकी परेशानियां खड़ी हो गयीं उसको जुर्माना भुगतने के लिए तैयार रहना पड़ेगा अब कई मामले ऐसे होते हैं जिनमें साल भर में अधिकांश कैश पद्धति में काम करने वाले कुछ-कुछ मामलों में मर्केंटाइल सिस्टम पर काम करते हैं। इसी प्रकार से जो मर्केंटाइल सिस्टम पर काम करते हैं उनको कई मामलों में कैश पद्धति भी अपनानी पड़ती है। यह पद्धति कोई गलत नहीं है। उससे कोई आयकर के नतीजे गलत नहीं निकलते हैं। लेकिन इसके बावजूद भी कैश रखो अथवा मर्केंटाइल रखो। यह कोई तुक नहीं है। कई लोगों के लिए वर्तमान में प्रावधान है कि उनको लेखा पुस्तकें रखनी चाहिएं। इनमें डाक्टर हैं, टैक्नीशियंस है, आर्कीटैक्ट्स है, अनेक तरह के लोग हैं। उन लोगों की जिनकी आमदनी केवल 40 हजार रुपये हो उनको भी एक निर्धारित तरीके के अंदर अपनी लेखा पुस्तकें रखनी चाहिए। न रखने पर जुर्माना कितना है—न्यूनतम 2 हजार रुपये और ज्यादा जाकर 25 हजार रुपए। यह कोई तरीका है। उसने कर की चोरी नहीं की। कोई डाक्टर है, नयी-नयी प्रेक्टिस शुरू की है। ठीक है उसकी ग्रास रिसीट्स 80 हजार रुपए आ जाती है लेकिन उसको इस तरह के लेखा पुस्तकें रखने की आवश्यकता क्यों होनी चाहिए। बगैर उसके कर निर्धारण हो सकता है, किया जा सकता है। यह लेखा पद्धति केवल उन लोगों के ऊपर लागू होनी चाहिए जिनकी वास्तविक आमदनी एक लाख रुपए से अधिक हो। एक लाख रुपए से कम वार्षिक आमदनी वालों के लिए लेखा पुस्तकें रखने का कठोर बंधन नहीं लागू होना चाहिए।

इसके बाद माननीय उपसभाध्यक्ष जी, मैं आपके माध्यम से माननीय वित्त मंत्री जी से निवेदन करना चाहता हूं कि इस वर्तमान आयकर विधान में शास्तियों के इतने खतरनाक प्रावधान है कि जिनकी आपने स्वयं कल्पना नहीं की होगी। उदाहरण के लिए एक बताता हूं। धारा 272 में एक प्रावधान यह है कि अगर किसी ने अपनी दुकान बंद कर दी है, उसकी सूचना देना आयकर अधिकारी को भूल गया हो या उसे पता भी नहीं है कि सूचना देनी चाहिए क्योंकि धंधा चल नहीं रहा है, घाटे में है, बंद कर दिया, दिवाला निकल गया और सूचना नहीं दी और पांच साल बीत गए—अगर 360 दिन का एक वर्ष माने तो पांच साल में हो जाते हैं करीब 1800 दिन—तो उसकी शास्ति कितनी है, केवल दकान बंद करने की सूचना न देने की, न्यूनतम 100 रुपये प्रतिदन दिन, यानी 1 लाख 80 हजार रुपए और अधिकतम 3 लाख 60 हजार रुपए। यह आज तक किसी में वसूली नहीं हुई होगी लेकिन इसको दिखा दिखाकर, अनेक आयकर अधिकारियों ने डरा डराकर कितने पैसे अपनी जेबों में रखे होंगे इसका शायद आपको अंदाजा नहीं है। ऐसे एक नहीं अनेकों प्रावधान है। मैं उन एक-एक प्रावधानों का जिक्र नहीं करना चाहता हूं लेकिन इस प्रकार की शास्तियों के जो प्रावधान हैं उनको ठीक कर दीजिए।

(व्यवधान)

इस प्रकार की शास्तियों के और भी प्रावधान हैं। दो तीन नमूने हैं जो बता देना चाहता हूं कि किस तरह की शास्तियां इसमें जोड़ी गयी हैं जिनसे कि केवल भ्रष्टाचार फैल रहा है। इनसे न वित्त विभाग को कोई लाभ हो रहा है न कोई वित्त की प्राप्ति हो रही है लेकिन भारी भ्रष्टाचार इनसे हो रहा है। इस तरह की धाराएं हैं—271ए, 271बी, 271डी, 272ए, 234डी। इस प्रकार की अनेकों धाराएं हैं जिनमें कि अधिकतम शास्ति एक लाख रुपए है। इनमें कहीं कर की चोरी नहीं है, कहीं तकनीकी त्रुटियां हैं तो उन तकनीकी त्रुटियों को छोटे-छोटे करदाताओं को दिखा दिखाकर उनको डराया जाए, धमकाया जाए ये बातें हैं।

इसके कारण से जो भ्रष्टाचार पनप रहा है वह तभी ठीक होगा जब कि इन प्रावधानों को सुधारा जाए। इसी प्रकार से मैं माननीय वित्त मंत्री जी से निवेदन करना चाहता हूं कि तीन तरह के ब्याज लगते हैं धारा 234 में, धारा 234ए, बी और सी और इनका ब्याज़ कभी-कभी इतना हो जाता है कि जितना मूल आय कर होता है उससे चौगुना, पांच गुना भी हो जाता है। पहले एक

प्रावधान हुआ करता था कि कमिश्नर को यह अधिकार हुआ करता था कि कमिश्नर विशेष परिस्थितियों में लगे हुए ब्याज़ को छूट दे सकता है, वह प्रावधान समाप्त कर दिया। यानी अब ब्याज़ लग गया तो लग गया 100 रुपये का टैक्स लगा हुआ है लेकिन ब्याज़ की राशि 2000 रुपया है। इससे बड़े व्यापारियों को नुकसान नहीं है लेकिन छोटे करदाताओं को इसमें भारी परेशानियां हैं और वह अपराध कुछ नहीं है, सिर्फ यह है कि रिटर्न नहीं भरा। फिर उसी रिटर्न न भरने में से निकलता है कि एडवांस टैक्स नहीं भरा। फिर तीसरा यह है कि एडवांस टैक्स जो है वह तीन किश्तों में भरना चाहिए, वह नहीं भरा। कुल मिलाकर एक अपराध है, लेकिन तीन तरह के ब्याज़ लगते हैं और वह ब्याज़ की राशि इतनी हो जाती है कि मूल आय कर से भी अधिक हो जाती है। इसलिए इस प्रकार के प्रावधानों को भी समाप्त करने की आवश्यकता है। टैक्स शैड्यूल के बारे में मैं एक और निवेदन करना चाहता हूं कि फर्म के ऊपर, जो पंजीकृत फर्म है, अब फर्म तो वेग हो गई है सब, उनके ऊपर एक रुपया भी अगर कमाया है तो 40 पैसे टैक्स लगेगा। अब यह प्रावधान वास्तव में मैं उचित नहीं मानता हूं। इसमें कम से कम यह व्यवस्था कर दी जाए कि 25 हजार रुपये तक अगर किसी फर्म को आमदनी है तो उसके ऊपर कोई टैक्स नहीं लगना चाहिए, यह उसमें प्रावधान करने की आवश्यकता है। फिर कैपिटल गेन्स है। इसके बारे में जो वर्तमान प्रावधान है वह भी उचित नहीं है। इसमें संशोधन करने की आवश्यकता है। अब कई प्रकरण ऐसे होते हैं कि कोई सम्पत्ति खरीदने-बेचने का वह व्यवसाय नहीं करता, लेकिन मजबूरी में उसको अपनी अचल सम्पत्ति बेचनी पड़ती है। जब वह परेशान होता है, कठिनाई में होता है तो अपना घर बेचता है, अपना प्लाट बेचता है अपना मकान बेचता है, अपनी फैक्टरी बेचता है, लेकिन उसमें भी छूट का कोई प्रावधान नहीं है। इसलिए कैपिटल गेन्स को भी थोड़ा सा फिर से देखने की आवश्यकता है कि जिसके पास केवल एकमात्र मकान है, या एकमात्र अचल सम्पत्ति है और उसको अगर वह बेचता है तो उसके ऊपर कोई कैपिटल गेन्स नहीं लगना चाहिए, या फिर कैपिटल गेन्स अगर कुल विक्रय राशि जो है किसी सम्पत्ति की वह एक लाख से अगर कम है तो उसके ऊपर भी कैपिटल गेन्स नहीं लगना चाहिए। यह छोटे-मोटे सुधार करने से भी बहुत से लोगों को राहत पहुंच सकती है। आप बार-बार घंटी बजा रहे हैं। ...(व्यवधान)... मुझे उम्मीद है कि आप फिर से मुझे ...(व्यवधान)... संशोधन मेरे आयेंगे तब आप मुझे बोलने का अवसर दे दीजिएगा।

इसलिए मैं अपनी बात इस निवेदन के साथ खत्म करना चाहता हूं कि जो आय कर विधान है वह अब आउट डेटेड हो चुका है। इसमें बहुत से प्रावधान अनावश्यक है। इसमें बहुत से प्रावधान लोगों को कष्ट देने वाले हैं। बहुत से प्रावधान लोगों को जब लागू होते हैं तो उनकी आंखों में से केवल आंसू नहीं निकलते, बल्कि वे बर्बाद भी हो जाते हैं। इसलिए इस प्रकार के सब प्रावधान निकालते हुए एक नया आय कर विधान बनाया जाए, जो कि सरलीकृत आय कर विधान हो और वह युक्तियुक्त भी हो, इस प्रकार का एक विधान बनाने की ओर माननीय वित्त मंत्री जी पहल करेंगे।

इसी निवेदन के साथ मैं अपनी बात समाप्त करता हूं। आपने मुझे समय दिया इसके लिए बहुत-बहुत धन्यवाद।

SHRI V. NARAYANASAMY (Pondicherry): Mr. Vice-Chairman, Sir, thank you for giving me this opportunity to speak on the Finance Bill, 1995. Sir, I support the Bill. The hon. Finance Minister, while moving the Bill, has given concessions to most of the consumer items, as referred to by him, while making his regular tax proposals which have been placed on the Table of the House.

There was a large-scale demand from the service sector, especially from the Government employees, which has been the consistent demand from their side. It was also raised by the trade unions when they met the hon. Finance Minister and other Government officials with regard to the tax proposals. He had given certain concessions. They expected a little more. I quite agree with the policy of the Government to widen the tax net. The Government, as a result, will be able to get more revenue for the purpose of spending more money on developmental activities. One thing, which the hon. Minister must concede when he speaks in the House, is that the Government servants, who are the salaried class, who have no hidden income, are being taxed and the tax is being deducted from their salary. But there are various other areas where tax evasion is very large, whether it is industry, business, exports, etc. To my surprise I find that the officers,

whether they are the Income-tax officers or the Customs and Excise officers, are not concentrating in that area. I find that the hon. Finance Minister is taxing the Government servants alone and he is taxing them much more than the other people who are evading tax throughout their life. Therefore, while enlarging the tax net you should concentrate on the areas where there is tax evasion so that you will be able to mop up more revenue. Earlier there were raids on the industrial houses, on the business houses and also on the people who are exporting. Today a large amount of black money is being generated in important citites like Bomaby, Delhi, Calcutta and Madras. I would like to tell the hon. Minister that he should unearth the black money as far as possible. You can use this money for the purpose of developing the country as a whole. You have brought several schemes. I would like to say that you have succeeded only to a certain extent. You have got certain attractive schemes for the NRIs and for the people who have got a lot of black money. You had got a scheme for the purpose of unearthing gold. That was successful. But I am surprised to find that the Finance Minister could not succeed in unearthing the black money even to the extent of 15% to 20%. That is one of the reasons why the Government is not able to achieve the objective of the planning process, whatever schemes it brings in, whatever developmental activites it undertakes. Therefore, I would like to know from the Finance Minister what the action which you are taking for the purpose of minimising tax evasion, is. I dont't say you will be able to fully root out tax evasion. What steps are you going to take to gear up the machinery to minimise the tax evasion? I would like to know whether you have got any innovative schemes, other than the schemes which have been implemented by you earlier in which you have partially succeeded. What are you going to do?

For the last four years, we are very glad that under the leadership of Prime Minister, Shri Narasimha Rao, we have been able to improve the economy of our country in all sectors. As regards the balance of payments, we are in a better position. We are able to pay back the loan well in advance. We have made so many achievements. But one area to which he has not paid full attention, but in which he has partially succeeded, is regional imbalance, whether it is the Eastern region, whether it is the North-Eastern Region from where the hon. Finance Minister comes, or whether it is the Southern Region. I am talking about the regional imbalances. I can see regional imbalances in spite of the concessions that you have given. In some areas, especially in the North-Eastern States, no development has taken place. This is especially so in the case of Orissa. The same is the case with Tamil Nadu and other Southern States. People go to Haryana, Bombay, Delhi and Calcutta.

SHRI JAGESH DESAI (Maharashtra): I don't want them to come to Bomay. They are creating problems for us.

SHRI V. NARAYANASAMY: But they are going there. They are attracted by these cities. That is why I am talking about regional imbalance. Now, coming to the areas where tribals live like Madhya Pradesh or Rajasthan, even these areas are not well developed. Orissa is a very primitive State. In spite of the incentives given, the regional imbalance remains. This is one area on which the hon. Finance Minister needs to concentrate. Mr. Jagmohan referred to the large-scale migration of people to the cities. He referred to the slum areas and the Government's failure to provide electicity and water. The root cause for all this is regional imbalance. In the areas where you are not concentrating, employment opportunities are not available to the people and they migrate to big cities. In the cities they migrate to, the infrastructure that is available there is not able to cope with this additional

burden. The concerned State Government has to bear this additional burden. The State Government has to provide the basic amenities to the people who migrate to their State. The Finance Minister should give more concessions to the backward States. He has to see that industries are set up in these States. In this connection, I would like to know what the Finance Minister plans to do. Some proposals were mooted by the Members from the North-Eastern Region. I welcomed it. I have found that industrial development is very slow in these regions. Hardly about three to four per cent industrial development has taken place there. The Members have said that once they are industrially developed, they would like to have a wide network so as to cover the neighbouring countries like Bangladesh, Myanmar and Vietnam. These countries are nearer to them. A lot of goods are smuggled out of the country from here. It is not going out legally and we are not able to control it as it is on the border. Therefore, I would like to know from the Finance Minister what he proposes to do to remove this regional imbalance. Because of migration, the concerned State Governments are not able to cope with the influx of people and the burden it puts on the existing infrastructure. The whole planning process gets paralysed because of this. Sir, I had made three-four demands regarding my State to the Finance Minister. He said that he would consider them favourably. I would like to draw the attention of this august House to this problem. It is regarding the production of shampoo. More than 30 to 40,000 people are involved in it. It is a cottage industry. These people are not in a position to market their produce because they are facing competition from the multinationals. You are imposing Excise duty on them. They are not able to bear the advertisement cost. The industry is run by a single man with a capital of Rs. 10 lakhs. They are not able to market their produce because the multinationals have come into the market in a big way. What is happening? The multinationals are selling it in pouches at Rs. 1.50. But these people are selling it at Re. 1.00. They were passing on the excise duty concession to the conusmer. The hon. Finance Minister has kindly considered the issue and extended the concession because the Government's policy is to see that the consumer gets the benefit of excise duty concession. The concession should be passed on to the consumer. Simply because one or two industries misused the concession, you should not withdraw it lock, stock and barrel. All the small industries have to be given the excise duty concession. Because of the withdrawal, more than 600 small industries were closed down. It is giving employment to the rural women. It is giving employment to the uneducated rural youth in the rural areas. I, therefore, request the hon. Finance Minister to reconsider this and help the small industries which are providing employment to the rural people. I have also submitted a representation to the hon. Finance Minister and he was kind enough...(*interruptions*)...

SHRI JAGESH DESAI: Are there any slabs?

SHRI V. NARAYANSAMY: Yes, By a slab system, they are collecting the taxes.

I have told the hon. Finance Minister about the cottage industry which is manufacturing cleaning powder engaging the rural womenfolk alone. He considered the matter and said that excise duty would not be imposed on those industries which do not use power, which are labour-intensive. For some items, this concession is given. But for cleaning powder, this concession is not given. I verified this from those people because the multinationals are selling it at Rs. 45/- a kilogram and these people are selling it at Rs. 19 or Rs. 20 a kilogram. It is used by housewives for cleaning utensils, for household purposes. When the Financ Minister extended a general concession t

those industries which are not using power and which are labour-intensive, these industries should also be given the excise duty concession. I verified it and found that these industries were not being given the concession. I want the hon. Finance Minister to reconsider this aspect.

Shri Raghavji was referring to corruption in the Department of Excise and Customs. I would like to give a small example regarding your proposal to tax fish exports. The proposal is that for fish which is between 200 grams and 300 grams, there is no duty. You have imposed the duty only on those fishes which are more than 300 grams. Duty has to be paid on those fishes. If the fish is below 300 grams, no duty need be paid. But the fisherman who goes for fishing cannot find out whether a fish is 200 grams and 300 grams and whether fishes between 200 grams and 300 grams are available. It is very difficult for him. It leads to corruption. Your officers will have to consider this and collect the duty and allow the exports. These are very tardy provisions and you cannot implement them in right earnest. These are the areas which the hon. Finance Minister should consider.

In the Finance Bill, you have given a lot of concessions for industrial development, business and exports. Through such measures, you have strengthened the economy of the country. But you have also to concentrate on those small industries which are rural-based and which are providing employment opportunities to the rural people and help those industries. By certain small concessions, there will be more employment in the rural areas. I welcome your Budget proposals. You are doing it in right earnest, for the purpose of developing this country. I support your proposals. But you should consider the various representations given by the Members of Parliament favourably and help them. These are the areas which you have to develop and help.

Thank you, Sir.

DR. BIPLAB DASGUPTA (West Bengal): Sir, first of all I offer my apology as my voice is chocked. But that is not because of anything done to me by the Finance Minister.

SHRI JAGDISH PRASAD MATHUR (Uttar Pradesh): Your joke is choked.

DR. BIPLAB DASGUPTA: Even the joke is choked. But that will not subdue my opposition to the Finance Minister.

Now, our Finance Minister has been very concerned about reducing the fiscal deficit. There are two ways of reducing the deficit. One is by cutting down the expenditure. The other is by increasing the income. But until now, I have been witnessing that our great Finance Minister—he may not like my saying so—at the prompting of the I.M.F., had been more concerned about cutting down the expenditure, mainly the expenditure of the Government, the investment of the Government. This has been the main thrust of our economic policy up to now—to cut down the Government expenditure and, on the receipts side, to rely on the disinvestment of public enterprises. For example, this year, the Finance Minister proposes to raise something like Rs. 7,000/-crores by disinvesting a part of our public sector enterprises. Now, I would like definitely to stress in this discussion—and more so because this on the Finance Bill—the question of raising resources, for development not by cutting down the expenditure, but by raising the resources in various forms. And, my feeling is that if our Finance Minister looks around, he can identify many, many sources of finances which will make it absolutely unnecessary for him to seek foreign assistance, assistance from outside the country, because there are sufficient resources within the country to finance our economic development. In India, we have a paradox. The paradox is that on the one hand, we have a huge population and the vast majority of them are poor. But because our population is large, even a small fraction of our population is very

large in absolute terms. For instance, 6% of India's population is equal to the total population of the United Kingdom or the total population of France. Some of the biggest industrialised countries of the world have a total population, which is around 6% of our population, which is why our economic policy has been geared to this 6% of the Indian population, because that gives an enormous market. The rest of the 94% has been ignored. So, the point that I am making is as to why our Government should not take this into account and really make the affluent sections pay for the economic development of the country, rather than cutting down on the public investment which hurts our health programmes, agricultural programmes or other programmes. Our Finance Minister should try to raise more of these resources from the very affluent sections of the population. Their proportion might be very small, but their number is very large, large enough to be comparable with the total population of countries like the United Kingdom or France.

Here I find that until recently, the emphasis was mainly on raising resources by way of indirect taxes, not by way of direct taxes. But everyone knows, and certainly the Finance Minister knows, I don't have to mention this to him, that in direct taxes promote inflation. Indirect taxes are inequitable, whereas direct taxes can be used as anti-inflationary means. In spite of this, until recently, something like 20% of our tax income came from the direct taxes and the rest of the 80% came from the indirect taxes. Now, one achievement of Shri Manmohan Singh is that he has raised this figure from 20% of something around 29%. I appreciate this.

SHRI V. NARAYANASAMY: For the first time in your life.

DR. BIPLAB DASGUPTA: I always appreciate good things. After all, he is a fellow-economist. You should understand this. But, at the same time, I want to add that even this increase has largely been by way of cutting down of indirect taxes, not by way of raising direct taxes. It is not that he has made enough effort to raise the direct taxes, but by cutting down the indirect taxes. Now, even if you take this 29%, which is higher than what it was earlier—certainly a progress—it is lower than the proportion of tax income derived from direct taxes in some of the Western countries of the world.

For instance, even in the United Kingdom, the proportion is around 45%. In the United States it is around 50%. In most developed countries of the world the direct taxes are of such a high proportion of the total tax income. And if it does not produce disincentive effect on industry, I dont't think why our proportion cannot be raised, say, at least up to 40% within the next two or three years. I would expect the Finance Minister to take action on this.

Then, there are other sources of income and one of them is the black money. We have no proper estimates of the black money. There are all kinds of figures which go around and most of which are not scientifically justified. But, I understand that the Chief Economic Adviser of the Government, Dr. Acharya, made some estimates of black money long back. Leaving aside the stock of black money which is enormous, just take into account the flow of black money, how much of black money is generated every year. Many years back Dr. Acharya estimated that the amount of black money was something like Rs. 10,000 crores, but by now it must have risen to Rs. 30,000 crores, Rs. 40,000 crores or may be up to Rs. 100,000 crores. My point is this: From out of this Rs. 100,000 crores, why cannot you raise Rs. 10,000 crores by way of better surveillance, better operation of the police force? I think the Government rather than handling this as a question of black money, should treat it as a law and order issue, because it creates a parallel economy which distorts the economic priorities. That money goes into the real estate business, it goes into the cinema

and it goes into other unproductive activities. Why don't you make an attempt to ensure that this parallel economy does not grow and why is not sufficient surveillance shown by the Government? Instead of doing that, the Government does just the opposite, i.e. it appease those with black money.

Even before Shri Manmohan Singh, when Shrimati Indira Gandhi was the Prime Minister, she introduced the bearer bonds. No question would be asked if you buy the bearer bonds with the money. Now, under Dr. Manmohan Singh we have got so many schemes and one of the schemes is that if you put your money in the National Housing Bank, then 40% is deducted and 60% is the clean money. You put the black money into the bank, the other 60% becomes completely clean. Apart from the morality of this that you allow this man with black money to get away with this illegal act by simply doing this *punya* that some money would go for slums and all that, it cannot work because the man who is having black money, is also calculating. He thinks that if he can give 15% to *hawala*, another 10% to police to keep their mouth shut, then 25% is less than 40%, why should he go to the National Housing Bank? So, that whole programme flopped because the economics of that black money was not taken into account.

Dr. Manmohan Singh also introduced an amnesty scheme. He declared anesty for anyone getting foreign remittances, no matter how much, within a certain period, no question will be asked about where he got the money from. What happened is this: Our Indian black money was transferred to foreign countries by way of *hawala* market. They got the commission of 15% or 20% and then that money came back to India. So, black money through *hawala* going to foreign countries and coming back to our country as clean, white money, and added to the foreign exchange reserves of Dr. Manmohan Singh of which he is so proud. Out of that foreign exchange reserves of 20 million dollars, at least five million dollars have come through the amnesty. That is the scheme which worked, but worked for this particular reason.

I think the gold bond scheme is a good scheme because it makes productive use of gold, but what I don't understand is this: If you look at the figures which have been given here, last year you got Rs. 1,100 crores from gold bonds, but in the coming year your estimate is that it will come down to Rs. 65 crores only. From Rs. 1,100 crores it will come down to Rs. 65 crores. I want to know why it is coming down.

Now, the third area where you can have a lot of money would be an unpopular one. Now that Dr. Manmohan Singh is in his populist mode, he will not use it, I know it. But, the option remains. In our country, for the last 25—30 years or so there has been a green revolution. It has succeeded to a certain extent in increasing the food production. Now who has benefited from this? In one sense we all have benefited because we have become more self-sufficient in food production. But a lot of money has gone into the hands of the wealthy peasants, rich peasants in the country-side. They constitute may be 5% of the peasantry. But they have now concentrated in their hands a large amount of land, a large amount of money and a large amount of assets and all kinds of assets. I have never visited Dr. Manmohan Singh's village, but I have visited many village in Punjab and many villages in West Uttar Pradesh and other places. I see signs of opulence in the midst of stark poverty, islands of affluence. (*Time-bell rings* Please give me some time, if you do not mind.

श्री शंकर दयाल सिंह (बिहार): आपका गला खराब था इसीलिए आपको कह रहे हैं कि आप ज्यादा स्ट्रेन मत लीजिए।

उपसभाध्यक्ष (श्री मोहम्मद सलीम): मेरा भी कहना है कि आप ज्यादा समय न लीजिए।

DR. BIPLAB DASGUPTA: Now, there are these islands of opulence in the middle of stark poverty in the countryside. The point I am making is this: Those people who have amassed a lot of money out of the green revolution, based on the subsidies given by the Government, based on the bank credit given by the Government, based on other opportunities they got from the Government, are not paying back to the country what they derived from it. They do not pay income-tax. This is a State-subject, I know. Maybe it is time to do something like what you have done in Panchayati Raj Bill — the 73rd or 74th Amendment. Why cannot the Government of India take initiative to have a Constitutional amendment like this making it compulsory for the States to have income-tax on rural income? I am not talking about the poor peasantry and not even the middle level peasantry, I am talking of the very rich peasantry who are amassing a lot of fortune but not paying a single paisa of tax. Not only this; they also do not pay Wealth Tax. But Wealth Tax is not a State subject; it is a Central subject. It was under Dr. Manmohan Singh that this Wealth Tax was scrapped. Am I wrong? My point is that they have created all the assets — if you go to some houses, you will find three tractors, one big combine harvester, so many buffaloes, so many camels — but they do not pay either Income-tax or Wealth Tax. If this category of population was properly taxed, the Government could have generated a revenue of Rs. 20,000 crores a year from that source alone. My question is, why that source has not been tapped. Then, Prof. Nicholas Koldor a long time back, recommended certain taxes. Now, these are the things which are mentioned in the book. What is the return from the Gift Tax, the Expenditure Tax, the Wealth Tax? Nothing. The question is to what extent the Government is serious about those taxes so that these sources can be tapped. The point I am making is this: It is possible for us to raise resources from within the country. There are so many different ways of raising resources. Unfortunately, for political reasons, because they do not have sufficient political will, those sources have not been tapped. Just now, before we started discussing the Finance Bill, the question of external debt came while our hon. Minister was replying to the discussion on the budget. Now, certainly, he is aware of the seriousness of the problem. Ninety-two billion dollars of external debt is very big which the future generation has to pay. Here we are being extravagant at the cost of the future generation. But, the point is, not only there is an external debt trap, but there is also an internal debt trap and taking internal debt trap alone we have. ...*(Interruptions)*...

DR. BIPLAB DASGUPTA: Another five minutes.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Your allotted time is 11 minutes: Please conclude.

श्री शंकर दयाल सिंह: मैंने अपना पांच मिनट का समय इनको दिया है।

I am giving my own time to you, Dr. Gupta.

6 P.M.

DR. BIPLAB DASGUPTA: Now, I am talking about the external debt. The foreign debt is 92 billion dollars. If you forget the foreign debt for the time being ...*(Interruptions)*

SHRI JAGESH DESAI: What about the assets of the nation?

DR. BIPLAB DASGUPTA: I am coming to that. This debt of 92 billion dollars has to be paid to some time and if you do not repay then you will be in crisis. Now, what is the programme for repaying the debt? Until now I have not received any answer from the Minister as to what programme he has to repay this debt. There is no such programme. You are getting deeper and deeper into the trap. Our Minister has said that. 'Mexico' should not be repeated. Now, what the Mexican experience has in common with what is happening here. Mexico started

getting a lot of money from the rest of the world. The money came in and a lot of foreign exchange was brought there. Then the ECLAC came out with a report. They said that Argentina, Brazil, Mexico and some other countries were getting a lot of hot money but that money would not stay. They warned them. Despite this they fashioned their economy in a way as if that money was going to stay with them for ever. But, it did not stay and even led to a crisis. All that I am saying is this: Let the Minister not feel happy with 20 billion dollars of foreign exchange. As it happened with Mexico and some other countries of the world in the past, this money can be out within ten days, because this is not stable money. Stable foreign exchange reserve is what is created by export surplus. We do not have export surplus. That is the point that we have been making. There is a lot of dificit in the balance of trade. So, we have to do more exports than imports so that the export surplus could eventually pay the debt. There should be a target for it. But, I find that there is no such target for it. Sir, we have not only external debt but we have internal debt also. We have an internal debt of Rs. 545200 crores which is almost equal to our national income. Our internal debt figure is also very frightening. Our Finance Minister has said that he would bring down this debt. He is trying to do it. But the question is what will happen in future? What will happen to this internal debt trap? I agree that borrowing is necessary, but if it continues like this then the economy will collapse.

Sir, I would like to say something about the Centre-States relationship. This point has been raised by some of the friends and they mentioned regional imbalance and all that. But, I am saying something different. Sir, our Central Government is giving loans to the Stage Governments.

THE VICE-CHAIRMAN (SHRI MD. SALIM): You have already consumed five minutes.

DR. BIPLAB DASGUPTA: Sir, the point is that if you look at the loans, the Central Government is doing a *Mahajani* business in this. They get loan from the World Bank at a low rate of interest. But, when the Central Government gives this loan to the States, they charge a premium. They are doing *Mahajani* business out of this. Why should not this immoral thing be discontinued? Why should the Central Government charge the premimum? Why is the Central Government doing like this? I would like to ask this question. Now, the other question related to this is that if the Central Government is spending or disbursing so much money for agriculture, rural development, etc., why the decision-making power of the States is affected. They are all State subjects. Why don't you leave it to the State Governments? Let the State Governments decide as to how to spend the money. This is a part of democratic decentralisation. Decentralisation not only means devolving power from the State to the Panchayats but also from the Central Government to the States.

My last point—please believe me, the very last point which is this, one, — is about import duty. One aspect is this. As some of my friends have mentioned, you have reduced the import duty, I can understand, for capital goods industry, if equipment is required, if machinery is required and if you reduce this import duty, that is welcome. I also agree that the import duty which was there before was really ridiculous. It encouraged evasion. It should not have been like that. But, at the same time, why should you reduce the import duty to a point where you give room for foreign competitors? Of course, we have to protect our domestice production which are affering stable supplies within the country. For example, we have many industries which are doing very well, the agro-based industries, and we are exporting, whether it is rubber, cashew or copra. Now, they are facing stiff competition from foreign countries.

Why don't you reduce this stiff competition? Maybe I am wrong; please correct me.

SHRI MANMOHAN SINGH: Rubber prices are at all times high. There is no rubber in the country.

DR. BIPLAB DASGUPTA: Maybe just now; but it is a kind of complaint we keep on hearing about different agricultural commodities at different parts. Our import duty policy should be linked with our policy for protecting our domestic industries. That is the point I am trying to emphasise. Even in electronics, you have given some concessions for import of hard disc, import of integrated circuits. My question is, if Indonesia can do it if Malaysia can do it, if this can become the cottage industry in the countries of South-East Asia, if the women in those countries can do it, why can't our Indian men and women do it? And why do we have to import those things? Why can't these things be done here? And why can't we develop our own computer industries? Why all these things have to come from abroad? But, If you bring in the hard disc and all these things, I do not know whether the domestic cottage industry will develop. But the point I am making is this that, certainly, the policy should not be to reduce the import duty at a level which discourages domestic production. This is the point I wanted to make. Sir, I have made most of the points I wanted to make. I would like the Finance Minister to really look into these various alternatives. My own feeling is that the Government has not looked into all these alternatives. The Government has been moving in a stereo-typed manner. If all the other sources I have mentioned are properly tapped, there will be no need for external assistance. India can be self-sufficient in that sense.

I do not say in an autarbic sense. Certainly, we need to have interaction with the rest of the country, then most of the resources can be raised within the country, but we do not have to go around with folded hands like a beggar. That is something I think which should be done to maintain our self-respect in the comity of nations. Thank You.

श्री शंकर दयाल सिंह: उपसभाध्यक्ष जी, जहां से मेरे मित्र ने अपनी बात समाप्त की है, वहीं से मैं शुरू करना चाहता हूं।

उपसभाध्यक्ष (श्री मोहम्मद सलीम): वह आपके 9 मिनिट ले चुके हैं।

श्री शंकर दयाल सिंह: मैंने 5 मिनिट दिए हैं। चार मिनिट उन्होंने आप से लिए होंगे।

उपसभाध्यक्ष (श्री मोहम्मद सलीम): उन्होंने आप से लिए हैं।

श्री शंकर दयाल सिंह: महोदय, इन्होंने अपने भाषण में मैक्सिको संकट की बात कही, लेकिन मैं अपने को वित्त मामलों का विशेषज्ञ नहीं मानता हूं और मैं यह भी मानता हूं कि इस देश में अगर कोई इन मामलों के सब से बड़े विशेषज्ञ हैं तो वह निश्चित ही प्रो॰ मनमोहन सिंह जी हैं। इस में दो राय नहीं है, लेकिन मैं यह नहीं मानता कि कोई बहुत बड़ा विशेषज्ञ है तो वह देश को सही रास्ते पर ही ले जाएगा। यह मैं इसलिए मानता क्योंकि इस देश की अधिकांश जनता जो अभी भी कृषि में विशेषज्ञ नहीं है, तिजारत में विशेषज्ञ नहीं है, आर्थिक मामलों में विशेषज्ञ नहीं है, औद्योगिक मामलों में विशेषज्ञ नहीं है, लेकिन फिर भी इस देश के प्रति उस की राष्ट्रीयता की भावना है। इस राष्ट्र के प्रति उस का जो कमिटमेंट है, उस को लेकर देश को वही चला रहा है। हम लोग जो बहुत जानकार और विशेषज्ञ लोग हैं, वह तो गुमराह करने में ही लगे हुए हैं। उपसभाध्यक्ष महोदय, मैंने अपने मित्र की बात इसलिए कही कि मैक्सिको संकट की बात जो इन्होंने उठायी, उस की ओर हम गंभीरता से नहीं देखते हैं।

अब मैक्सिको में क्या था? कि नाफ्टा और विश्व व्यापार संगठन के सदस्य मैक्सिको की विशाल सी दुनिया में सबसे अच्छा और तेजी से उसका बाजार उभरा, लेकिन 19 दिसंबर, 1994 को मुद्रा में तेजी से अचानक 40 प्रतिशत अवमूल्यन करना पड़ा उसको, जिससे मैक्सिको के अंतर्राष्ट्रीय भंडार में तेजी से कमी आई। यह कमी इतनी आई कि मुश्किल से दो महीनों में, और 1994 में लगभग 3000 डालर का रिकार्ड घाटा उसे हुआ, जबकि उसने नाफ्टा पर हस्ताक्षर अपने किए। अब जो सब्जबाग हम आर्थिक मामले में देख रहे हैं या वित्त मंत्री जी दिखा रहे हैं, उससे पूरी दुनिया भारत की

और आकर्षित हुई। मैं इनकी बहुत कद्र करता हूं, लेकिन एक ही बात को लेकर रह रह कर मैं आशंकित रहता हूं कि आप जब वित्त मंत्री नहीं रहेंगे तब इस देश का फिर क्या हाल होगा? आज तो आप कर्ज ला रहे हैं, आप देश को गिरवी रख रहे हैं, आज देश का हर व्यक्ति कर्ज से एक तरह से डूबा हुआ है और आज आपका उनके साथ व्यक्तिगत संबंध भी है, विश्व बैंक के साथ, लेकिन कल क्या होगा? उससे संधि हुई, उसमें आपकी बहुत बड़ी पहल है, विश्व व्यापार जो होता है उसमें आपकी बात बहुत कुछ मानी जाती है, मैं आपकी प्रशंसा करता हूं। आप पांच साल तक वित्तमंत्री रह गए तो यह भी मैं मानता हूं कि देश के वित्त की रेखाएं भले या बुरे एक सीध में चली, रिकार्ड पांच साल तक आपने बजट पेश किया, लेकिन पांच साल जब पूरे होने जा रहे हैं और प्रधानमंत्री की गद्दी असुरक्षित और डांवाडोल नजर आ रही है तो वित्तमंत्री का क्या होगा?

महोदय, मैंने स्वयं ही कहा कि मैं वित्त विधेयक पर बोलते हुए कोई बहुत इसका विशेषज्ञ नहीं हूं, लेकिन दो चार बातें जरूर कहना चाहता हूं। एक बात मैं यह जानना चाहता हूं कि वित्त मंत्री जी, यह जो असमानता है देश में, अमीर और गरीब की, गांव के आदमी और शहर के आदमी की, उसको आप किस तरह से कम करेंगे या किस तरह से समाप्त करेंगे? यह बात आपसे देश जानना चाहता है। आपने यह वित्त विधेयक हमारे सामने लाया। इसके शुरूआत में ही आपने कृषिदर में आयकर की बात कृषि के संबंध में उठाई है। एक ही बात मैं आपसे कहना चाहता हूं कि आज देश में कृषि की व्यवस्था क्या है, उद्योग की बात मैं नहीं कह रहा, मैं व्यापार की भी बात नहीं उठा रहा, लेकिन चूंकि अभी भी मैं अपने को किसान मानता हूं, गांव से संबंध रखता हूं, अभी भी हमारी खेती होती है, मैं चावल, दाल, गेहूं, सब्जी तक गांव से और घर से लाता हूं और यहां खाता हूं, आप यह पता लगा लीजिए, तो मैं यह कहना चाहता हूं कि यहां तीन प्रकार के स्रोत हैं कृषि के — (1) सिंचित है, जिसमें पंजाब और हरियाणा आते हैं, (2) असंचित, (3) बिल्कुल बंजर या उसको प्रकृति के ऊपर निर्भर करना पड़ता है, उसका आप आयकर का आंकलन किस तरह से करेंगे? यह मैं जानना चाहता हूं।

महोदय, मैं जो अनुरोध करना चाहता था, वह यह कि कृषि पर जो आयकर की बात आपने कही है और जो वित्त विधेयक में ...(व्यवधान)... दादा, आपकी बात मैं सुन रहा था, आपको मंत्री गुमराह कर रहे हैं। ...(व्यवधान)...

DR. BIPLAB DASGUPTA: Shankar Dayalji, this is a disruptive activity.

श्री मनमोहन सिंह: हमने कहां कहा कृषि पर टैक्स का? कृषि पर टैक्स की बात तो हमने कही ही नहीं।

श्री शंकर दयाल सिंह: हमने इसमें देखा है। आयकर की दरों की जो बात आपने कृषि से उठाई है, उस संबंध में कहना चाहता हूं।

श्री मनमोहन सिंह: हमने तो उठाई नहीं। ...(व्यवधान)...

श्री शंकर दयाल सिंह: जो भी हो, मगर हमारे पास यह तो वित्त विधेयक की कापी है, इसको में कोट कर रहा हूं। ...(व्यवधान)... चूंकि आप तो जानते हैं, अंग्रेजी मैं बहुत कम जानता हूं और हिन्दी के लिए मैं कुछ बदनाम भी हूं और कुछ मेरा नाम भी है। हिन्दी की पुस्तक से, यह तो तीसरा पृष्ठ है, इसमें 15(क) पर लिखा है — "शुद्ध कृषि — आय को, कुल आय की बाबत केवल, यथास्थिति, ऐसा आय-कर या "अग्रिम कर" परिकलित, प्रभारित या संगणित करने के प्रयोजन के लिए, खंड (ख) में उपबंधित रीति से हिसाब में लिया जाएगा, अर्थात मानो शुद्ध कृषि आय —

(1) "उस दशा में जिसमें उक्त उपपैरा एक लागू होता है, कुल आय के प्रथम चालीस हजार रुपए के पश्चात, और

(2) उस दशा में जिसमें उक्त उपपैरा 2 लागू होता है, कुल आय के प्रथम अठाहर हजार रुपए के पश्चात,"

SHRI MANMOHAN SINGH: There is no tax on agricultural income.

श्री शंकर दयाल सिंह: जो है मैं तो उस को ही पढ़ रहा हूं।

श्री मनमोहन सिंह: इसका मतलब यह नहीं है।

There is no tax on agricultural income.

श्री शंकर दयाल सिंह: मुझे आपसे दो बातें कहनी हैं। एक तो कृषि को बिल्कुल आयकर से मुक्त होना चाहिए।

श्री मनमोहन सिंह: मुक्त है।

श्री शंकर दयाल सिंह: दूसरा हमारा कहना है कि कृषि को व्यावसायिक लोग जो व्यवसाय बनाए हुए हैं, उनसे भी कृषि को मुक्त कराना चाहिए क्योंकि यह एक फैशन चल गया है और आप भी, उपसभाध्यक्ष महोदय, इसे अच्छी तरह से जानते हैं कि जिनके बड़े-बड़े उद्योग

है, ऐसे उद्योगपति भी कृषि की ओर इसलिए मुड़ गए है क्योंकि उसी बहाने वे आयकर भी बचाते हैं और देश के संतुलन को भी बिगाड़ते हैं। तो मैं आपसे कहना चाहता हूं कि केवल जो कृषि के ऊपर निर्भर हैं और केवल जिनका कृषि ही धंधा है, ऐसे व्यक्तियों को आप इससे मुक्त कीजिए, लेकिन जो व्यक्ति उद्योग भी चला रहे हैं, व्यवसाय भी चला रहे हैं और बड़े पद पर भी है, उसके बावजूद भी कृषि को हाथी के दांत की तरह से दिखाने का साधन बनाए हुए हैं, उनको आप मत छोड़िए।

SHRI MANMOHAN SINGH: This is exactly the provision.

श्री शंकर दयाल सिंह: बहुत सुंदर है, आपको मैं बधाई देता हूं।

अब दूसरी बात मैं जो कहना चाहता हूं वह यह है और जिसकी और हमारे मित्र ने ध्यान दिलाया, मैक्सिको की बात कही और दूसरे देशों की बात कही। देश में ऐसा चिंतन हो रहा है कि भारत या तो गिरवी हो गया है या पिछलग्गू हो गया है। मैं आपसे यह कहना चाहता हूं कि ठीक है, आर्थिक रूप से आपने बहुत अधिक समृद्ध कर दिया है, फॉरेन एक्सचेंज हमारे पास आज रिकार्ड मात्रा में है, यह ठीक है लेकिन एक बात मैं कहना चाहता हूं और वह यह है कि पूरे देश में आज चिंता व्याप्त हो रही है कि भारत अपने अनुसार कुछ नहीं कर रहा है — या तो आई०एम०एफ० के अनुसार कर रहा है या विश्व बैंक के अनुसार कर रहा है या अमेरिका के अनुसार कर रहा है।

श्री मनमोहन सिंह: आपने मेरा जवाब सुना नहीं।

श्री शंकर दयाल सिंह: आप जब जवाब दें तब जवाब दीजिएगा।

श्री मनमोहन सिंह: अभी आधा घंटा हुआ, इसी चीज का जवाब दिया।

श्री शंकर दयाल सिंह: जो मैं अनुभव करता हूं उसको कह रहा हूं कि देश में आम आदमी के अंदर एक यह भावना हो रही है, उसके आधार पर मैं कहना चाहता हूं कि वह यह सोचता है कि भले ही हमारा फोरेन एक्सचेंज बढ़ गया है, भले हमारा व्यापार बढ़ गया है, आर्थिक रूप से हम ऊंचे हो गए हैं, लेकिन हमारी जिंदगी सम्मान की जिंदगी नहीं है। आज भारतीय इस रूप में कभी नहीं सोचते हैं कि गांधी के उस स्वाभिमानी भारत के हम नागरिक हैं, बराबर इस चिंता में वे रहते हैं कि अमेरिका के हाथों में कहीं हम कठपुतली न हो जाएं। तो उस विचारधारा से आप मुक्त कीजिए, मैं आपसे यह कहना चाहता था, इन बातों को आप समझिए।

जहां तक दूसरी बातों की ओर जाने की बात है, जिसकी ओर हमारे नारायणसामी जी चले गए, क्षेत्रीय असंतुलन की बातें आई थीं यहां पर। मैं बिहार से आता हूं और आप जानते हैं कि बिहार की स्थिति क्या है और जब भी बिहार का मामला यहां उपस्थित किया जाता है, पेश किया जाता है, हमेशा एक ही मुहावरा और एक ही जवाब हमको सुनने में मिलता है कि बिहार के लोग चाहते ही नहीं हैं और बिहार में ठीक से उसका उपयोग या प्रयोग नहीं होता है। यह बिल्कुल गलत है।

श्री मनमोहन सिंह: अब ठीक होगा।

श्री शंकर दयाल सिंह: आप जो भी पैसा भेजते हैं, अगर हम उसका उपयोग नहीं करते हैं तो आपको हम वापिस कर देते हैं। आप रिकार्ड उठाकर देखिए कि एकमात्र हमारा ही प्रान्त ऐसा ईमानदार प्रान्त है जिसने अगर आपके पैसे का उपयोग नहीं किया तो दुरुपयोग भी नहीं किया, वापिस कर दिया। दूसरों ने उपयोग नहीं किया, उसको उन्होंने अपने आप खत्म कर दिया। आप उसका हिसाब देख लें। हम यह कहना चाहते हैं कि आज बिहार से हमारी सैंटर में लॉबी समाप्त हो गई है। किसी जमाने में जब बाबू जनजीवन राम जी होते थे, एल० एन० मिश्र जी होते थे, डा० राम सुभग सिंह होते थे और सत्यनारायण सिंह जी होते थे, मैंने उस समय भी देखा है और उस समय भी मैंने भारत की तस्वीर देखी है कि यही केन्द्र सरकार बिहार के साथ सौतेला व्यवहार कभी नहीं करती थी, आज कर रही है। वहां आज समस्याएं सुलझाने की बजाए बढ़ रही हैं। इसलिए मैं आपको कहना चाहता हूं कि इसका सीधा होना चाहिए। मैं उल्लेख नहीं कर रहा हूं लेकिन जो अभी फाइनेंस कमीशन की रिपोर्ट आई और फाइनेंस कमीशन ने जो कुछ दिया, "ए" के बाद "बी" आता है, आंध्र को किस तरह से दिया और बिहार को किस तरह से दिया है, वह हमारे सामने आया है। मैं यह कहना चाहता हूं कि आप तो उसकी आबादी को देखिए या उसकी गरीबी रेखा को देखिए या उसके पिछड़ेपन को देखिए और देख करके बिहार के प्रति न्याय होना चाहिए, अन्याय नहीं होना चाहिए। वित्त मंत्री जी, चूंकि आप स्वयं इतने बड़े एक्सपर्ट हैं कि मैं आपको कुछ समझा नहीं रहा हूं। आप तो विद्वान भी रहे हैं, आप स्वयं जब बोलते हैं तो लगता है कि केवल वित्त मंत्री ही नहीं बोल रहे हैं बल्कि कोई प्रोफेसर कॉलेज या स्कूल में लड़कों को पढ़ा रहा है। आप पढ़ाने लगते हैं मगर हम उस रूप से नहीं कहते

हैं। हमारे अंदर जो अनुभूति है या हमारे अंदर जो व्यथा है, उस व्यथा को आप तक हम रखना चाहते हैं। आज विश्व व्यापार का स्वरूप बदल रहा है और ठीक है गैट सचिवालय का हवाला देते हुए विदेश मंत्री ने खुद बताया कि उरुग्वे वार्ता के परिणामस्वरूप 2005 तक वाणिज्य वस्तुओं के व्यापार में 12 प्रतिशत वृद्धि होने की उम्मीद है, यह उरुग्वे रिपोर्ट है लेकिन वाणिज्य केवल हमारे लिए तो काम की चीज है नहीं। हम तो अभी भी कृषि को प्रधानता दे रहे हैं, प्रमुखता दे रहे हैं। तो आप अगर दुनिया के अन्य देशों के साथ भारत को ले चलना चाहते हैं और उस घुड़दौड़ में आप भारत को शामिल करना चाहते हैं तो हम बीच में ही कहीं गिर जाएंगे और हम उस सावधानी को अगर नहीं बरतेंगे जो हमारी मूल चेतना है, तो हम कहीं के नहीं रहेंगे। इसलिए हम आपसे यह अनुरोध करना चाहते हैं कि केवल आप व्यापार, उद्योग या केवल इकानॉमिक डाटा के बल पर नहीं, आप कृषि उत्पादन के बल पर और कृषि में लगाए गए समूचे साधनों के बल पर इस देश के विकास का आकलन करें, मैं यह आपसे अनुरोध करना चाहता हूं।

यह वर्ष गांधी जी की 125वीं जयन्ती और विनोबा जी की 100वीं जयन्ती का वर्ष है। मैं आपसे एक ही बात कहना चाहता हूं कि जिस स्वदेशीपने को आज भारत सरकार ने तिलांजलि दे दी है, उसको आप कायम कीजिए और इसके लिए जरूरी है कि गांव के किसान को, कुटीर उद्योग को, छोटे उद्योग-धंधों में लगे लोगों को निश्चित रूप से आपको अधिक से अधिक राहत देनी होगी। मैं आपका अधिक समय नहीं ले रहा हूं लेकिन अंत में एक बात मैं आपसे अवश्य कहना चाहता हूं, आप जरा भी इसका बुरा नहीं मानेंगे, मेरे हाथ में एक यह सर्वोदय का पेपर है जिसको मैं जरूर पढ़ता हूं। अंतिम बात मैं कह रहा हूं। भारत के लिए, बहुत सुंदर इन्होंने लिखा है, भारत के लिए आज आर्थिक चुनौती है और सबक दिया है। लिखा है इसमें कि—

> "मैक्सिको ने अपने भारी व्यापार घाटे की पूर्ति के लिए अल्पावधि पूंजी निवेश का सहारा लिया। भारत भी ऐसे ही पूंजी निवेश पर आज आश्रित है। संकेत इस बात के हैं कि भारत मैक्सिको की राह पर बढ़ रहा है और अपने पतन की प्रतीक्षा कर रहा है। मैक्सिको से भारत यह सबक सीख सकता है कि नई आर्थिक नीति को पूर्णतः त्याग दिया जाए। पिछले चार सालों से चली आ रही नीतियों को उलट दिया जाए। भारत को पहले से भी अधिक गंभीर विदेशी ऋण 90 अरब डॉलर और विशाल आर्थिक संकट का सामना करना पड़ सकता है। भारत के विकास और मुद्रा-स्फीति की स्थिति पिछले एक दशक में बहुत उत्साहवर्द्धक नहीं रही है। आज भारत सरकार इस परिस्थिति का मुकाबला तेज उदारीकरण की नीति से कर रही है तो वह इसलिए कि विश्व बैंक, मुद्रा कोष और संयुक्त राज्य अमरीका ने भारत को अपने प्रयोग की स्थली बना दिया है और सारा प्रयोग भारत में कर रहे हैं।"

अंतिम है जिसे आप ध्यानपूर्वक सुन लें—

> भारत की समस्या ऊपरी तौर से भुगतान की समस्या नहीं है लेकिन वास्तव में आर्थिक और राजनीतिक मूल्य की अवधारणाएं कमजोर हैं और लगातार ऐसे ही चल रही हैं। बहकावे में और दूसरे के इशारे पर बनाई गई नई आर्थिक नीति के प्रयोग भारत और पूरी विकासशील दुनिया को आर्थिक और राजनीतिक उथल-पुथल की ओर धकेल सकते हैं। हमारा भय यह है कि विकासशील दुनिया ज्यादा महंगी और दुखदायी राह पर चल सकती है जिसका नमूना कहीं भारत न हो जाए।"

बहुत-बहुत धन्यवाद।

THE VICE-CHAIRMAN (SHRI MD. SALIM): Shri S. Viduthalai Virumbi. Your party has been allotted only six minutes. I think there is nobody to lend you more time from their account.

SHRI S. VIDUTHALAI VIRUMBI (Tamil Nadu): I hope you would be generous. Mr. Vice-Chairman, Sir, I thank you for having given me an opportunity to speak on the Finance BIll, 1995. In this Finance Bill—after the Budget was announced—some concessions have been announced by the Finance Minister regarding the tax holiday, import duty reduction, tax deduction at source and advrtisement agencies and so on. As far as import duty reduction is concerned, two years before, the peak customs duty was 85 per cent. Last year it ws brought down to 65 per cent. Now it has come down to 50 per cent. We can see how the customs duty has come down. Some people may think that our hon. Finance Minister has got some sympathy for the Indians who are using those articles and

that is why he has brought down the duty. But it is not so. According to the World Trade Organisation and as per the GATT Agreement, all the countries who are signatories to the GATT Agreement, who are levying a Customs duty of 40 per cent and above shall have to bring down their customs duty to 40 per cent and the customs duty which is being charged for some items between 25 per cent and 40 per cent have to bring down to 25 per cent within six years. The countries which have signed the GATT Agreement shall have to adhere to this principle.

Therefore, the Finance Minister has reduced the customs duty without taking into account the conditions of the people of our country. He has to act according to the dictates of the World Trade Organisation. When the Customs duty has been reduced, the Excise duty also has to be reduced to bring down the prices. In the last three years, he has brought down the customs duty in respect of many items. What I want from the Minister is let the Government produce a White Paper indicating on which items they have reduced the customs duty; and for the same items how much Excise duty has been reduced for the Indian producers and for both the items what the international market price is and what the Indian market price is. Then, we can find out the truth. The Government of India is supporting the manufacturers of foreign countries, not the Indian manufacturers. This is my accusation.

Regarding advertising agencies, the Minister says that the Government has brought down the duty from two per cent to one per cent. I welcome this move. In Tamil Nadu, we find one page advertisements two-pages advrtisements, in the newspapers throughout the year. For that they are going to charge only one per cent duty from the advertising agencies. But the Income Tax Department of his Ministry doesn't look into the question as to who was giving such type of advertisements. I would also like to know whether the amount which they are paying directly to the Press is being properly accounted for. If it is not being properly accounted for, they should do it. They should see who the persons are who are giving these advertisements and how much money they are paying to the Press towards the advertisements. As far as this matter is concerned, the Income Tax Department in Tamil Nadu is totally sleeping.

SHRI V. NARAYANASAMY: Do you know who is giving the advertisement?

SHRI S. VIDUTHALAI VIRUMBI: Advertisements are coming from the political arena. He wants me to identify the persons. I will not do that. There are too many advertisements in the newspapers. This new culture has entered into Tamil Nadu. The rich people and people close to the powers, they are giving some sycophant advertisements. I will not go into the details because the time at my disposal is not enough.

Sir, now I will come directly to the income-tax exemption limit. In Australia, there is joint committee of employers, employees and representatives from the Government. They have fixed some basic amount for income-tax exemption and personal income-tax exemption. After that they calculate how much percentage of inflation takes place every year and that percentage is also added to the income-tax exemption limit. I hope the hon. Finance Minister will go through the Australian Income Tax Act. In any case, he had agreed with that principle—then the people who are paying income-tax, mostly the salaried-class people, need not go to any political party or to the Finance Minister to see how much exemption they would get, whether it would be Rs. 30,000/- or Rs. 35,000/- or Rs. 15,000/-. These things will automatically go. Therefore, some principles have to be evolved as far as income-tax is concerned. Now, you have reduced the income-tax percentage. What is going to happen because of this? You have made some concessions in

the excise duty and some reduction in the income-tax. By this, all the States in India are going to lose to the extent of Rs. 808 crores. They are not going to get about Rs. 800 crores. The States are going to lose by this reduction. How are you going to compensate this? We do not know. Nothing has been mentioned about it.

As far as fiscal deficit is concerned, in 1993-94, you assured that it would be 4.7 per cent of GDP only. But it has increased to 7.7 per cent. In 1994-95, the fiscal deficit was 7.1 per cent. As for the revenue deficit, in 1991-93, it was about Rs. 15,000 crores and in 1993-95, it has touched Rs. 33,000 crores. Why was the Government not able to combat this? The revenue deficit has doubled in four years! You have mentioned that the Budget deficit in 1994-95 was Rs. 6,000 crores. We are unable to believe it because in 1993-94, your revised estimates were Rs. 6,000 crores. Actually, the Budget deficit

was Rs. 10,960 crores.

After you have announced the New Economic Policy, so many steel manufacturing companies, more than 150 re-rolling mills, have been closed already. A large amount of small-scale industries have been closed. What are you doing with insurance companies? More than Rs. 40,000 crores are lying with the Life Insurance Corporation alone. It is an asset of the nation. You want to hand over it to private companies. That is what you have decided. Handing over does not mean you will hand over as it is. You are going to allow private concerns. Sir, they adopt the 'carrot and stick' policy. First, they are going to give some sort of pension benefits to the insurance company employees. Then they are going to allow some companies to come here. That is, 49 per cent of shares will go to private hands. And within five years, insurance companeis will be in the hands of private people and not with the Government of India. This is the real intention of the Government.

The internal debt is more than Rs. 5 lakh crores. As Mr. Biplab Dasgupta has said, even excluding the treasurey bills, the internal debt is Rs. 4,90,000 crores. How much interest are we paying on that? The Central Plan Outlay for 1994-95 was Rs. 70,000 crores. In revised estimate it was reduced to Rs. 68,000 crores. You were enable to fulfil the Central Plan Outlay as you have budgeted. Now, in 1995-96, the Central Plan Outlay will be Rs. 78,849 crores. When you were not able to fulfil Rs. 70,000 crores how will you be able to fulfil Rs. 80,000 crores? We want a definite answer for this. Regarding interest payment, in 1993-94, the interest payment was Rs. 36,695 crores. In 1994-95, it is Rs. 46,000 crores. In the revised estimates, it is Rs. 44,000 crores. In 1995-96, out of Rs. 88,465 crores of non-plan expenditure, the interest alone comes to Rs. 52,000 crores. When the interest amount goes higher, subsidies go lower. The component of subsidies in the non-plan expenditure has come down from 16 per cent to nine per cent.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Please conclude now.

SHRI S. VIDUTHALAI VIRUMBI: I will take only two or three minutes more. Please help me.

In 1993-94, the subsidies allowed were Rs. 12,864 crores. But, now, the budget estimate is Rs. 10,965 crores. Subsidy is not a dole that you are giving to the poor people. Subsidy is nothing but a transfer of income from one section of the society to another. But, in the non-plan expenditure, you have reduced this component from 16 per cent to nine per cent. This is the state of affairs. Now, I come to the question of interest payment. In 1980-81, this was about 20 per cent of the non-plan expenditure. But, in 1995-96, it has gone up to 42 per cent of the non-plan expenditure and in respect of component plan, it has gone up to 32 per cent. If you take into account the income on account of revenue, this comes to about 51.5 per cent. Our defence

expenditure has come down from 28 per cent to 21 per cent. But, as far as the payment of interest is concerned, according to the revenue receipts, 51.5 per cent of the amount is going to be eaten away. That is the situation. You have been presenting the Budget for the last five years. I would like to know as to how much money you had given for interest payment in the budget presented by you for the first time and how much has it been given in the current budget? In 1980, the amount of money to be paid on account of interest was Rs. 7,000 crores. But, in 1989, it has gone up by four-times, that is, Rs. 28,400 crores. So, the people who had been running the Government during 1980—89 were responsible for the 1991 economic crisis. Everything had broken down. The amount of money to be paid on account of interest rose from Rs. 7,000 crores to Rs. 28,000 crores. So, the people who were at the helm of affairs in 1980—89 were responsible for the 1990-91 economic crisis. *(Interruptions)*

SHRI V. NARAYANASAMY: So, you admit that the Government ruling the country in 1990-91 was inefficient?

SHRI S. VIDUTHALAI VIRUMBI: We are not accepting it. *(Interruptions)*

DR. BIPLABDAS GUPTA: That was the proxy Government of Chandra Shekhar. *(Interruptions)*

SHRI JAGESH DESAI: Had these monies not been invested and were the assets not created? What was the value of the assets? *(Interruptions)* Most of these monies had been spent for development and assets were created. *(Interruptions)*

THE VICE-CHAIRMAN (SHRI MD. SALIMD): Mr. Virumbi, please conclude.

SHRI S. VIDUTHALAI VIRUMBI: I will tell you to get some income. The number of people who have not paid Income-tax beyond one crore of rupees is 850. No proper action has been taken. If you go through the records, you will find that 25 per cent of assessment work is not completed because of the shortage of staff in the Income-tax Department. When we raise this point, they say that they are going to computerise the whole system. So, you have to take care of all these things and you have to reduce the pending cases.

In conclusion, I would like to make one more point. You are having, for exchange reserve 20 billion dollars with you. Out of that, if you are ready to release five billion dollars in the market, it will be taken about Rs. 15,000 crores from the market and you can substract the money supply by 10 per cent by doing so? You can also reduce the price level in the market. I hope the Minister will do something in the matter. Otherwise, things are going to be where they were earlier. The people of the country have suffered in the last decade and they are going to suffer in the coming decade also. The new economic policy of the Government is not going to, benefit the people. How the price of paper or coffee or tea increased. You can find out for yourself as to what has been the price of paper, coffee and tea after the enforcement of the liberalisation policy. I would like to suggest that you should not rely on the statistics supplied by the Statistical Department. What was the price mentioned in the newspaper three or four years ago for some essential commodities and what is its price today? You will come to know about the difference in the price. You take the prices of some essential commodities prevailing right now and compare them with the price prevailing two or three years ago. Then, you will find that the Statistical Department has been supplying untrue figures. *(Interruptions)* How many organised people are there? How many labourers are organised? Their number is negligible. That is why you cannot make comparisons. *(Interruptions)*

THE VICE-CHAIRMAN (SHRI MD. SALIM): Mr. Virumbi, you address the Chair.

SHRI S. VIDUTHALAI VIRUMBI: You will find that the policy has completely failed

THE VICE-CHAIRMAN (SHRI MD. SALIM): Mr. Narayanasamy, will you please keep quiet?

SHRI S. VIDUTHALAI VIRUMBI: You have completely failed in your new economic policy. You compare it and find it out. With these words, I conclude. Thank You.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Shri S. Madhavan. Not present. Shri N. Giri Prasad. You have four minutes.

SHRI N. GIRI PRASAD (Andhra Pradesh): Mr. Vice-Chairman, when we discuss the Finance Bill for this year, due to lack of time I cannot raise many issues. But I would like to concentrate on three or four issues, if you permit me to that extent. One thing which I could not understand from the way the Government has been functioning, is where the country is heading to. When the private sector comes into play in a big way in terms of industrial development, the backward regions are the worst affected. Naturally, the private capital goes where it is likely to get better profit. But the other areas are neglected. So, if you see the trend, you will find that developed Stats like Maharashtra and Gujarat are getting a lot of foreign capital. I have got the statistics, the comparative figures, between Maharashtra and Bihar. Bihar is a larger States than Maharashtra. As regards the FDI, Foreign Direct Investment proposals, they are 5,550 for Maharashtra, whereas they are only 72 for Bihar. As regards the industrial entrepreneur memoranda, Maharashtra has got 3,409, whereas Bihar has got 158. In terms of probable investment under these proposals Maharashtra has got Rs. 67,478 crores, whereas Bihar has got only Rs. 4,057 crores. In terms of employment under these schemes, IEMS, Maharasthra has got 5,81,922, whereass Bihar has got only 24,430. In the licensed sector, which is a small sector, where the letters of intent are issued, Maharashtra has got 324, whereas Bihar has got 19. In terms of rupees, Maharashtra has got Rs. 4,316 crores, whereas Bihar has got only Rs. 513 crores. Lastly, in terms of employment, Maharashtra has got 54,390, whereas Bihar has got 4,736. If you take all these sectors, where industrial investment is called for, where some employment is likely to be generated, the backward States like Bihar are bieng neglected. The Finance Bill and the Budget proposals cover the States like Assam and other North-Eastern States in one or two respects. As regards these bigger States like Bihar, where social unrest and many other difficulties are cropping up, I think, the Government must pay more attention to them and evolve a strategy. When the Central Government was investing, we were, of course, arguing at that time that those backward States must be covered. Now there is no such planning. Now there is big investment by the Central Government. So, it is time that the Finance Minister looked into this aspect becasue this involves a threat to the unity of our country. If there is a wide disparity between one State and the other, the backward State and the developed State, naturally, it will lead to serious political tensions.

The second point which I want to make is about science and technology. Whatever arguments the Finance Minister may put, whatever arguments we may put, we have to build our own country. Nation-building is our main task. We can argue about how we can do it in a better way. But one thing is there. Without a scientific and technological base, without proper support from the Government to this sector, we will not be able to coopete in a big way with other foreign countries, either in terms of trade or in terms of technology or in terms of whatever you call it. The steps taken by the Government in this regard are very limited. The Government should have a

policy for industrial development, whether it is in the private sector or in the public sector. The Government has to take some extra steps to improve our technological institutions and universities in terms of providing more funds, tax benefits, etc. The Government should provide some extra inputs to these sectors so that our industry can compete in a big way with other countries.

This is one way of thinking about self-reliance. The two countries, Korea and Japan, I am told developed their own technology by making use of foreign technology. They took some special steps. I think the Government must do something in this sector also. The third point I would like to make is about Excise duty. In the last two to three years the Government policy was to reduce the taxes—the Excise duty and the Customs duty. The Finance Minister had promised, but now I don't remember whether he had promised it that he would see that this relief was passed on to the consumers. The industries can reduce their prices when they get some benefit which they had not asked for. They should pass on the benefit to the consumers. But so far as I know, this has not happend. why is the Government blind to this aspect? Through the Finance Bill or some other Bill they should see that these benefits are passed on to the consumers. The fourth point that I would like to make is regarding the level playing field. This phraseology is used often. I would not like to argue on this. With regard to one aspect, I would like to point out something so that he can think about it. Out of about 20 billion dollars.

I believe, five billion dollars are being invested in the stock exchanges, that is the secondary market. This is mostly done by the foreign institutional investors. But why should the Government give special concessions to this type of investment? I can under stand if they give concessions to foreign direct investment because it is productive capital and some industries could be set up and employment could be generated. But the foreign financial institutional investors only come here to gain some profit and they go away when it suits them. Unfortunately, as far as I understand, in terms of capital gains, the Government is giving them tax exemption up to 10 per cent whereas the local people are required to pay taxes up to 20 per cent. Why this disparity? Why should there be any special concession given to these people? They can pay the same tax which our business people are paying. Why should these F118. get special concessions? First of all the Government should not encourage this type of capital to be invested in the stock market. This is one of the reasons why there is crisis in the secondary market. These people should not be encouraged. They should not be given any special concessions. I think, the Finance Minister should think about this aspect also. I have many more points to make but I would like to confine myself to this last point which is regarding the insurance sector. Recently, I came to know that the finance Minister was trying to launch some special effort to collect some income tax from the LIC and other such bodies. I do not know why it is being done. It was exempted from payment of tax by some Parliamentary legislation which was made at the time of nationalising it. Now, they have taken recourse to some legal provision. If we read the Finance Minister's Budget speech we will find that he has made a special mention about insurance sector in it. In his last Budget speech he had said that he was trying to bring about some consensus on this subject. All his efforts depend on the Malhotra Committee Report. He wants to invite foreign capital and private capital in this sector. He wants to dismantle or privatise the present LIC or the GIC, whatever it is. That is quite evident from this.

In order to bring about this change, he was trying to create some impression. According to his policies, it is inevitable that the insurance sector must also be competitive and various players should be there. It should be a competitive sector.

in this Budget, without achieving the consensus, he said that insurance sector reforms had to be pursued with the aim to achieve greater, widening access to insurance services by promoting competitive and efficient customer-oriented services. This is from his statement. There is a news item in the today's *Hindustan Times*. The news-item says that India is under increasing pressure from the developed countries, especially the USA and the UK to UK to announce by 30th June this year the Government's policy on allowing foreign companies in the country's insurance sector which is currently under full public ownership. The report is very long and I don't want to quote the entire report. But there are 90 million policy-holders in LIC. It is a big organisation.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Now, you conclude.

SHRI N. GIRI PRASAD: I am concluding, Sir. Please bear with me. Please give me one or two minutes. I am not asking for 10 or 15 minutes.

There are 90 million policy holders in LIC. Their interests must also be taken care of. This is a country of poor people. How to provide insurance services to these people is also a big problem. Now this insurance sector is up for grabbing by foreign companies and local people also. They are floating some joint venture companies. Now the private companies will have a hold on about Rs. 50,000 crores. This is the cheapest money. In order to have security cover for life, people invest in the insurance companies. For the security of goods also, people may invest. They want to have access to that money in the name of competition, in the name of everything. In this connection, one should read Shri C.D. Deshmukh's speech at the time when this sector was being nationalised. Why was this institution or that organisation nationalised? It is because the insurance sector was looting the people. They were declaring insolvency and doing so many other things. In this connection, I would like to request the hon. Finance Minister to go back to his earlier policy. He stated in his earlier Budget Speech that he would like to achieve some consensus. You have not achieved that consensus. People are sceptical about foreign companies. Now the country is under the pressure of these companies and they are very anxious to enter the insurance sector. The World Trade Organisation is also entering the scene and it is pressurising us. The news item also carries this report. That is why I say that if you rush to take a decision on this without achieving a consensus through trade unions, political parties and Parliament, if you don't take them into confidence, I think this will not only ruin the nationalised sector but also create an unnecessary had situation not only for the Government but also for the people and the country. This is my last request. I think he will bestow some attention on these aspects.

Thank you, Sir.

SHRI CHIMANBHAI MEHTA (Gujarat): Sir, I would not have got up to speak on the Finance Bill although I had moved an amendment. I had raised during my speech certain specific questions —specific questions only. But some of them were not answered. Therefore, I would like to know why the excise duty concessions which were given to the industry did not reach the consumer and how the Government is proposing to see that they are passed on to the consumer. Some way out has to be found and the profits cannot be allowed to be cornered. This is one point. Secondly, in order to bring down inflation, you have to fix the cost of the commodities. You should know what the cost of a particular commodity is because they are charging 15 times more the cost of a product. The consumers should know the cost of a commodity.

...and the price that he may be prepared to pay. Here, I know that the Government taxation also takes away almost one third of the price. You know what level you are charging the E: —

Duty. Then there is cost escalation. Of course, the MODVAT has been introduced, but I will come to that point later. So, the consumer generally pays what he is supposed to pay. He does not resist. Once he knows the cost, he will certainly think that the prices have to be brought down. This is the consumer awareness that you have to bring about. Enormous profit-making is going on and you are not making any efforts at educating the consumers as to how much they are being fleeced. If consumption increases, the industries develop. The level of industrial development in India is still not as much as we could have attained, and it is largely because there is a supperession of demand. The prices are delibrately kept high. And, I was expecting this creative thinking from ...(*Interruptions*)

AN HON. MEMBER: The question is of supply, not of demand.

SHRI CHIMANBHAI MEHTA: No. But how the demand is going to be made if I don't have the money? Of course, you are also right. Now, this is the creative way. Manmohan Singhji has to think about the entire economy and this paricular aspect is generally not seen because the consumers could not get the advantage of this reduction in duty. I have nothing to say on the other things. They are doing good work. I have already said that in my speech.

Then, so far as gold is concerned, there is a lot of clandestine import of gold. According to the London Centre of gold bullion market of the world, more than 300 tonnes of gold is being exported to India. The Government has officially admitted that around 190 tonnes come here. Now, this is coming through clandestine channels. If you reduce the duty from Rs. 210/- per 10 gms. to Rs. 110/, ultimately you are going to get more revenue and the problem of this clandestine entry of gold into Indin will also stop. But our Government is more interested in keeping the duty rate high. You only allow this sort of clandestine activity.

Then, Sir there are many world known brand names like Lux, Palmolive, Camay, etc. which are being sold here. But the quality of the stuff that they are selling in Hongkong or London or Washington is very different from what they are selling here. The quality is very low. What happens is that our local products cannot compete with them because those are world known brand names. (*Interruptions*) And, they are not interested at all. I had asked that question today but the answer was totally unsatisfactory. What to talk of the answer being unsatisfactory, I would say that the question was not answered at all. He was philosophising on some other matter. Now, why don't you think about it? The Lux soap sold here is not of the same quality that they have in London or Hongkong. And, they have an edge here in competing with our local brands because theirs are world-known brands. This is not being considered. Sir, I had mentioned about the common man's washing powder, the detergent powder. On cosmetics—facial creams and all those sorts of things—you have brought down the duty from 70% to 40%. But on the washing powder, you have brought it down only by 5% during the last two years. This is no reduction at all.

AN HON. MEMBER: What is the duty on the detergent powder?

SHRI CHIMANBHAI MEHTA: It is 30% on detergent powder. On cosmetics also, it is around the samething. Now, this is their approach towards the poor man. I had raised this question but this was also not answered.

7.00 P.M.

Shri Jaipal Reddy talked about the Mexican crisis. It is very important. I am not saying; no. But, there is no danger of the Mexican crisis here, and here I will agree with Mr. Manmohan Singh.

DR. BIPLAB DASGUPTA: We may have Indian crisis.

SHRI CHIMANBHAI MEHTA: No, no; that is not necessary, because we don't have that 9% of GDP in the current rate here. We have got only 1% whereas the Mexicans had 9%. Anyway, Jaipalji has his own style of picturising the economy.

THE VICE-CHAIRMAN (SHRI MD. SALIM): But, why are you getting trapped? Your time has exhausted.

SHRI CHIMANBHAI MEHTA: Sir, I am coming to the point. In the beginning I paid tributes to Shri Manmohan Singhji for his speech on the occasion of centenary of the Punjab National Bank, but he is more interested now in the moral regeneration of India. Please sustain the moral regeneration of India, for your taxation policy. Wherefrom the black money has come? It was not there prior to our Independence. ...(*Interruptions*).... Let me finish. The black money is there because of high taxation which is illogical. I will give you one example. In the year 1981, income above Rs. 15,000/- was taxable. Now that Rs. 15,000/- becomes Rs. 52,000 and you are putting tax above Rs. 40,000/-. That means, you have taxed that Rs. 10,000, that means Rs. 2,000 because 20% per slab. You are unnecessarily putting a burden of Rs. 2,000. Who is this Rs. 50,000/- man? He is a small man. He has a small income. if a man can evade tax, then he doesn't want to pay tax, The same kind of evasion is taking place everywhere, in every slab of income.

Now, you take the rates of Excise and Customs. The Excise duty is definitely too high on certain commodities which makes our goods in the international market uncompetitive. I know that you are giving some MODVAT and some tax concessions, but in spite of that the over-all cost is increasing which is making it difficult for our goods to compete in the international market. It not only sustains corruption but it also brings about diminishing returns Even with 1/3rd of the taxation rate reduced generally, average I would say, you will have more income than what you are getting today because the officialdom, business people, all are suffering from this kind of corruption. If there is no corruption, then you will have more income than what you are having today. it is a fact. You should admit it. This time they have reduced the duty on synthetic filament yarn by 11% and they are expecting a revenue increase of Rs. 600 crores. They have shown it in the Receipts. On plastics they have reduced it by 5% and they are expecting a revenue increase at the same level. That means you have accepted that logic, but you don't want to go far enough, perhaps because your other colleagues are not ready for that. You have been revolutionising the thought of taxation to an extent and I give that credit to you. You are one of the creative economists. You are applying certain theories nowadays, but that is not enough. You have done something good for the country, that I admit, but a lot of things have to be continued.

SHRI MANMOHAN SINGH: Sir, I am grateful to the hon. members who have taken part in the debate. In the course of the debate several issues of general policy have also been raised. I will try to cover some of them, particularly the points raised by Shri Shankar Dayal singh though he is not present and I would be as brief as I can be in answering the various points that have been raised.

Shri Raghavji made a very constructive contribution and I have always respected him for his acute and deep knowledge in tax matters and as usual he has made a very constructive contribution to the debate. The general point that our programmes had not reached out to rural areas, as several other Members have also said, is by and large, valid. Our delivery system for rural development programmes need to be improved and that is why, I hope, the Panchayati Raj institutions, once revitalised with more specified, well-thought-out programmes

of devolution of responsibility and resources, would assist in that process. The general point that he made about Income Tax is that the Income—Tax Act is too bulky—I do agree with him—and the time has come to have a more thinner streamlined Act. Some work has already been initiated in the Income-Tax Department. That is one area where, I think, we need to apply our minds. I agree with the broad thrust of the argument that he has made. He has made several specific comments on the various provisions of the Income-Tax Act with regard to tax deductions at source.

I personally believe that in all civilised societies tax deduction at source is the most important and the easiest way of collecting Income-tax. If Income-tax is to play an important role, then our country has to prepare itself to accept the logic of expanding tax deduction at source. Similar logic applies to the sole institution of the Permanent Account Number. In countries like the U.S.A., everybody needs to have a social security number and, therefore, whenever payments are made, automatically all payments are made known to the Income-tax authorities and, therefore, that reduces very greatly the scope for tax evasion. Many provisions may look deterrent, but, I think, sufficient safeguards have been built into it so that, though various penalities and limits have been imposed, they will not be misused. I do agree that this is a matter in which one should have an open mind and we are at too late a stage to look at all these provisions once again. But, I will once again apply my mind when the time comes to see if there is scope for improvement in the various provisions that have been made.

Shri Raghavji also referred to expanding the scope of 80L and raising it to Rs. 15,000. I feel, for the time being, we should be satisfied with the concession that I have made. That also applies to the minimum exemption limit. If we raise the exemption limit to Rs. 50,000/- there would be an additional loss of Rs. 1,000 crores. If you raise it to Rs. 60,000/-, it will mean an additional loss of Rs. 2,000 crores. If you take the case of an ordinary working person, with the exemption limit and with the present standard deduction of Rs. 15, 000/-for a working person and Rs. 18,000/- for a working woman, the tax exemption limit, in effect, is not Rs. 40,000/- but Rs. 55,000/- and Rs. 58,000/- respectively.

SHRI CHIMANBHAI MEHTA: If you rationally increase....

SHRI MANMOHAN SINGH: I agree there. Over a period of time it must be our effort. I have to balance the needs of revenue. It is easy for me to be generous at the expense of the States. But, if the States do not have the resources? Several Members have complained about the lack of facilities in rural areas and said that health-care facilities. etc. are lacking, safe drinking water facilities are lacking, irrigation facilities are lacking, and so on. The State Governments do not have the resources and then you can imagine. Lack of resources will mean some of these vital areas of developmental activities would not receive the attention that they deserve. Therefore, I feel, for the time being , what I have done, raising the exemption limit from Rs. 35,000/- to Rs. 40,000- would meet the objectives.

SHRI RAGHAVJI: But, it is going on as usual ....(*Interruptions*)...

SHRI MANMOHAN SINGH: Sir, I do not feel, as far as actual income is concerned, there is any scope for it. I would not like to go into the details of it as to why the HUFs exist and the purposes ....(*Interruptions*)... Therefore, I do not want to elaborate that. I feel the present provisions in that area are sufficient.

Similarly, I think the necessity for filing audit report is necessary in order to create a climate of greater tax compliance. I would be frank with you that there is large- scale tax evasion in the country. Partly it is the result of the high rates of tax that we are trying to reduce.

But, I think, over a period of time, at least, the new taxpayers will have a greater incentive to remain honest. Those who are habitual sinners, I think, require strong and deterrent action and some of the schemes that have been made, I think, are designed to discourage the scope of tax evasion. Therefore, I feel that ought to stay. Shri Raghavji also mentioned about caluse 31 with regard to the accounting standards. While we have taken one year's time to work out the accounting standards, I have assured in the other House, and I repeat here, that when these accounting standards are worked out, they will be worked out in consultation with the Institute of Chartered Accountants. If there are cases where there is need for a mixed system, that also will be taken care of. So, I think, adequate care will be taken. While we need accounting standards which are as uniform as is possible if we are moving towards a system where Income-tax people should accept most of the assessments without detailed scrutiny. But, you cannot do that if, for example, most of the people do not use similar accounting methodology. There is a greater scope for tax avoidance if there is a great heterogeneity in the methods of computing it. If we want to reduce the harassment, the scope for harassment of honest taxpayers, it is necessary to have as much uniformity as possible in the computation of incomes and profits. That is the objective. If there are occupations in which cash or accrual system is not sufficient, then hybrid system would also be taken into account while prescribing the requisite standards.

I think Shri Narayanasamy brought up this question of the exemption limit. I have already mentioned that for the time being, we will have to be content with what I have done, that is, raising the exemption limit to Rs. 40,000/-.

What action is being taken, as far as black money is concerned? Dr. Biplab Dasgupta has already mention that black money is in both flow and stock. Now, as far as the flow is concerned, there are several sources of generation of black money.

(The Deputy Chairman in the Chair)

One reason for this was also the large number of discretionary controls. As we reduce them, there will less scope for the generation of black money. The second source of it is the evasion of tax not only the Income-tax,but Excise Duty and Sales Tax also. As far as Income-tax is concerned, we are trying to reduce the rate of taxes. We are also trying to reduce the discretionary elements built into our system of Excise taxation. Therefore, there will be less scope for classification and other disputes and less scope for arbitrary exercise of power and over a period of time, not immediately, in the direction in which we are moving, there will be less scope arising out of the tax system for the generation of black money. The third important source is the large scale smuggling. Now, reduced duties on imports and other things over a period of time will reduce the scope for smuggling. The liberalisation of imports, the partial liberalisation, that we have done may not have eliminated the scopoe for smuggling, but it has certainly reduced the scope of smuggling. Shri Mathurji referred to the import duties. My own feeling is that tinkering with the import duty probably will not help. But, this is a matter on which we cannot be dogmatic. I think, we will keep this matter under constant review. Now, several Members have raised the problem of regional imbalances. I do agree that there are regional imbalances and in a federal polity like ours, we have to worry about these imbalances. And also, I believe, as I said in my earlier intervention—I have never said, and we and our Government do not believe, that all these things can be left to the market forces—the State has the responsibility to the under privileged, whether they are people, whether they are regions. And that is why we have special area development programmes. We have programmes

for the development of hill areas. We have programmes for the drought-prone areas. We have programmes for tribal and Scheduled Caste development. In the same way, as far as States are concerned, some element of discrimination in favour of the backward States is built into the processes of Plan allocation—the Gadgil Formula. Similarly, the Finance Commission, up to a point, gave weightage to backwardness because the per capita income is a major criterion for the distribution of both income-tax and excise duties in the hands of the Finance Commission. But I do agree with the hon. Members that this is not sufficient, but my hope is that if the Government gets less involved with industry and trade in general, the resources which will be available with the Government, hitherto, can be more concentrated on tackling specific problems of backward regions and backward communities. But this can happen only over a period of time. We have to improve the absorbing capacity of this nature. I think, Sir, Shankar Dayal Singhji and other Members referred to the low credit deposit ratio. Now, it is not that the banks are not willing to lend credit. But banks are not grant-giving institutions. Banks must have the assurance that money lent will be really re-paid because banks are essentially raising money from you and they are re-lending it. If the money that is lent will not come back, the depositors will sink, the banks will sink and, there are many reasons why banks are not able to lend. There are not adequate arrangements for power, there are not adequate arrangements for irrigation. I have not been to Bihar in the recent years but I recall I had a very extensive tour of Bihar in 1987 and wherever I went, there were large numbers of farmers who had worked in Punjab and wherever I went they said, we believe we can repeat a Punjab in Bihar provided we get irrigation, provided water is made available, provided fertilizer is made available. And if we are really serious about removing regional imbalances, this cannot be done on the basis of industry. We have to develop, as Shankar Dayal Singhji has said, the agricultural potential of our country. Punjab is not a highly industrialised State. It has hardly any public sector investment. Yet, it is the number one State because in terms of per capita income, because of the strong agricultural base. That strong agricultural base also helps small industry to grow. So, I respectfull submit that while Central Government has the responsibility, they must continue to shoulder this responsibility towards the backward States, whether they are in Bihar, whether they are in the North-Eastern regions. Beyond a point I wish State Governments pay a lot more attention to developing their agricultural potential, streamlining their irrigation system, water management system, streamlining their agricultural research and agricultural extension. I would like to say that from whatever I have seen, excepting four or five States, the agricultural research system in India today is not in a good shape and, therefore, actually, this is an area where State Governments have a responsibility. After all, if you look at the case of Orissa, the Indian Rice Research Institute is located in Orissa in Cuttack. Yet its impact on the agricultural economy of Orissa has been minimum. But the advantage has been taken by farmers in Punjab, Haryana, in U.P. or in Andhra Pradesh, I think, therefore, there is something lacking in the State research and extension systems. All this responsibilities cannot be discharged by the Central Governmenmt though, I agree that the Central Gvoernment,in a federal polity like ours, for the sake of the unity and prosperity of our country, has to, I think, be sensitive to the problem of regional imbalances. Now, Shri Narayanasamy brought up this issue of shampoos. I had mentioned to him several times that there is already a small industry exemption available up to Rs. 30 lakhs. No excise duty is paid. Betwen Rs. 30 lakhs and Rs.75 lakhs, there is a concessional rate of duty. That concessional rate of duty can be carried up to a turnover of Rs. 3 crores. If there is any

other problem, he can approach me. I have always an open mind.

In regard to cleaning powder also, my information is that, as far as the small-scale industires are concerned, the exemption is available. I think they do not have to worry about because the information that I have been given is that for the small-scale industries, the exemption is available.

SHRI CHIMANBHAI MEHTA: I was not talking about the industries. I was talking from the point of view of the consumer.

SHRI V. NARAYANASAMY: Mr. Chimanbhai Mehta, he is telling me.

SHRI MANMOHAN SINGH: As far as the cleaning powder which is not produced with the help of power is concerned, up to a turnover of Rs. 30 lakhs, I think it does not have to pay and tax.

In regard to the problems of fishermen which Mr. Narayanasamy has raised, I have not been able to follow. I will discuss it with him later on.

Then, Dr. Biplab Dasgupta raised many issues. He raised the issue of agricultural income-tax as well as other issues.

THE DEPUTY CHAIRMAN: Mr. Gurudas Das Gupta raised many issues, but he is not here.

DR. BIPLAB DASGUPTA: He is referring to me, Madam.

THE DEPUTY CHAIRMAN: I thought he was referring to Mr. Gurudas Das Gupta.

SHRI MANMOHAN SINGH: One of the points made by Dr. Biplab Dasgupta was that there should be a federal agricultural income-tax. But the point I want to make here is this. Now, Mr. Shankar Dayal Singh was making the opposite point that there should be no tax on agriculture. That is precisely the position now.

श्री शंकर दयाल सिंह: मैंने जो कहा था एग्रीकल्चर पर इन्कम टैक्स एग्जैम्पशन का, तो वह किस पर? जो केवल एग्रीकल्चर पर आधारित है उन पर नहीं लगना चाहिए, लेकिन जो उद्योग भी करते हैं, व्यापार भी करते हैं और कृषि को व्यापार बनाए हुए हैं उन पर लगना चाहिए।

SHRI MANMOHAN SINGH: That is precisely the provision. If, for the example, your entire income is from agriculture, you do not have to pay any income-tax. But if you have income from agriculture and income from other sources as well, for the purpose of determination of the rate of tax, I think the agricultural income is taken into account.

DR. BIPLAB DASGUPTA: Madam, may I make one point?

SHRI MANMOHAN SINGH: Let me complete.

THE DEPUTY CHAIRMAN: Let him complete his reply first.

DR. BIPLAB DASGUPTA: Madam, my point in regard to agricultural income-tax was that there should be a uniform policy.

SHRI MANMOHAN SINGH: Your point was that there should be a Central agricultural income-tax. But this is a matter which has to be discussed in the Inter-State Council and the National Development Council. This is a thing which I cannot do through the Income-Tax Act. This would require an amendment of the Constitution.

DR. BIPLAB DASGUPTA: You can do as you had done before. As you had done in the case of the Panchayati Raj Bill, you can do in this case also. You can ask the State Governments to legislate on this matter.

SHRI MANMOHAN SINGH: Even now, the State Governments have the power. Nobody prevents the Government of West Bengal from levying agricultural income-tax.

DR. BIPLAB DASGUPTA: It is the courts. It is being held up in the courts.

SHRI MANMOHAN SINGH: I do not know, but nobody is standing in the way

of the West Bengal Government levying agricultural income-tax.

DR. BIPLAB DASGUPTA: That I know. But the point I am making is that there should be a national policy in regard to agricultrual income-tax.

THE DEPUTY CHAIRMAN: Now, let him finish.

SHRI MANMOHAN SINGH: Madam, another issue raised by Dr. Biplab Dasgupta was about the debt, both internal and external. In my reply to the discussion on the General Budget a little while ago, I had dealt with this issue and, therefore, I do not think it necessary to repeat the same.

Then, he and some other Members said that while the import duty should be reduced, the reduction in import duty should be so calibrated that it did not hurt domestic production. This is a sentiment with which I fully agree. This has been our effort and the fact that the industrial sector, after four years of reform, has done well, and the fact that all sectors of the Indian industry have shared in this growth in 1994-95 is a living proof that we have taken adequat care and it has really contributed to the competitveness of the Indian industry. This is also evident from the fact that our exports, after liberalisation, have moved at a rate never seen before in the country. But I do agree that we should not do anything which would hurt the Indian industry. We shall be alert in this area.

Shri Shankar Dayal Singh raised the issue of Mexican crisis. I have dealt with that extensively in my intervention.

He also referred to the problems of the social gap, the gap between rural and urban areas. Well, I do want to say that, at the time of Independence, the gap between rural and urban incomes was much less. It has increased over time. Partly it is because of excessive emphasis on the import-substitution type of industrialisation. As we reduce the protection to industry, over a period of time, the bias against agriculture and against rural areas would diminish. Secondly, if Government gets out of industry and trade the resources that are available with the Government will be available more for spending on rural development agricultural development strengthening of India's agricultural research and extension base and social development in rural areas. So, I would respectfully submit that we are on the right track, though poverty grim though it is in our country cannot be removed in a short period of time. Rome was not built in a day, but the process that we have launched over a period of time, is bound to reduce the gap between the urban and rural areas.

The importance of water can be hardly under-estimated in a country which is predominantly agricultural, but 70 per cent of our agricultural area belongs to the category of dryland agriculture. We need therefore, new technologies so that the productivity of the dryland areas can be increased. We need drought-resistant varieties which are high-yielding. This is one area where as I said earlier our agricultural research base needs to be strengthened. This is one area where I think, we have not made as much progress as we ought to have made.

One hon. Member referred to loss of Excise duty. I feel confident that any loss to the States will not materialise if, as I expect what happened last year happens now. While we reduced the duties last year, we collected more. Last year, from all sources, we have transferred more resources to the States than we had budgeted for. We have in fact, under small-savings instruments transferred two-and-a-half times the amount that we had budgeted for. My own feeling is that this year though nominally we may have reduced the excise duties the increased buoyancy of production will more than neutralise the effect of the tax-reduction. Therefore the States have nothing to fear.

Madam, several Members have referred to the question of passing on the Excise duty concessons to the consumers.

I do share the sentiment. Last year, there were some problems. We asked the BICP to conduct an enquiry. The enquiry did reveal that while many industries had, in fact, passed it on some had not passed it on. Therefore, we have to pursue this with our other administrative Ministries. I have already asked them to call all the manufacturers. They should monitor that, wherever concessions have been given, these concessions should, in fact, be passed on to the consumers. We shall be alert. One reason why, in the area of consumer goods, these concessions do not get passed on is that we have, in many cases, a limited amount of competition. We do not allow imports. Then, they complain about the prices of consumer goods in India being high. I think, Shri Mehta referred to the fact that the quality of Lux in India is not what it is in Hongkong because we do not allow competition in the country. I think, at the same time, we cannot complain. ...(*Interruptions*)

Therefore, over a period of time, we need more competition. Also we need to strengthen the consumer movement in our country. We have a very weak consumer movement. The restrictive trade practices in particular need to be discouraged. We have the Monopoly and Restrictive Trade Practices Act. While the monopoly part has been diluted, the restrictive trade practices part has been strengthened. If we use effectively the provisions of that Act, some of these restrictive trade practices can be discouraged.

Madam, I listened with great respect to Shri Giri Prasad both on this occasion and earlier. I have already covered in my speech the points that he made about the backward areas. I do agree with him on the great importance of science and technology development. Science and technology today have emerged as the major determinant of power and wealth of our nation. If India has to leap forward and if India has to flourish in a harshly competitive world, we have to pay a lot more attention to strengthening our own capabilities in science and technology. That is why, in my last year's Budget, I had come forward with a specific proposal. That proposal has now materialised in the form of a Bill which is before this Parliament. I do hope that that will provide additional resources to our science and technology community, particularly where new innovative indigenous technologies have been developed. I have also in this year's Budget made a provision for 'venture capital funds'. Venture capital funds can play a very important role in encouraging new innovative type of technologies. In fact, the electronic revolution in the Silicon Valley in the United States is very largely a by product of the development of venture capital funds. I have made specific provision for that in this year's Budget. If the venture capital root gets firmly embedded in our country, that will provide another big fillip to the development of indigenous science and technology.

Hon. Member, Shri Giri Prasad, referred to the tax treatment of foreign institutional investors . I would submit that while the short-term capital gains Tax applicable to foreign institutional investors in 30 per cent, the long-term gain is 10 per cent. When we talk of domestic companies, our domestic system of capital gains taxation has a built-in element for taking into account inflation, whereas in the case of the foreign institutional investors the gains are nominal gains. What is taxed is nominal gains. In the case of domestic companies, what is taxed is real gain that is being developed. After correcting for inflation, that tax is levied. Therefore, I feel merely by looking at nominal gain one should not jump to the conclusion that there is disparity. If there is such a disparity, we should do something about that.

With regard to the insurance sector, it has been my effort to develop a broad national consensus. All that I am planning to do this year is to set up an independent regulatory authority. Under

the Insurance Act, that regulatory authority already exists, but it has lost teeth, because the Insruance Controller, who existed before, is now an Officer of the Ministry of Finance. Now, he does not function in an autonomous manner and I do believe even if the industry remains nationalised, there is a need for an autonomous regulatory authority. Beyond that if we have to move, we will have to evolve a particular national consensus before taking any sensible decision.

Shri Chimanbhai Mehta referred to Excise duty concessions reaching the consumers. I have already dealt with this point.

The second point which he made is that the cost of commodity be put on the package. I am not an expert in this area, but this is a problem. It is a lot more complicated. Costs of production differ, there are various stages of taxation, there are taxations like octroi, there are Sales Taxes, Excise duties and there are rebates. All these things make this thing difficult, but this is a matter which requires an indepth study.

With regard to the point that he made for the review of the tax on import of gold, well, I have already made a mention on that. I do not feel that this is the most important factor, which still encourages the inflow of gold through unauthorised channels, but I have an open mind on this matter.

Another point that Shri Mehta raised was with regard to the brand names. Our firms are at an advantage. I feel personally that Indian firms after 50 years of development must get away from that mentality that we are an infant. I think some day we must develop selfconfidence. Take the case of an industry like synthetic detergents about which you talked. That is one area where the small-scale enterprise, which produces Nirma, has given such a fear of God to a multinational like the Hindustan Lever. We must not underestimate our own potentialities. Excessive protection and excessive spoonfeeding can become counter-productive. Also one should recognise whether we like it or not, whether the World Trade Organisation exists or not, we are living in a world of harsh competition. You see what is happending in the relations between the United States and Japan and the United States and Europe. We cannot expect the rest of the world not to levy duties on India's exports while we say we will not reduce our tariff barriers. I think that sort of world simply does not exist. I think in international politics, in international economics—today we live in a world of harsh competition—as I said earlier, there are risks and there are also opportunities. We have to maximise our advantages and minimise the risks. In the process to ignore ourselves from the rest of the world is not a viable option. Therefore, I feel that while there may be initial problems in the Indian brand names, I think the Indian firms have shown their capabilities. I have talked to the Indian industry. I think in the next 5 or 7 years, you will see at least 100 Indian firms becoming multinationals by international standards so that Indian brand names would become household names in the United States. Some months ago, there was a massive advertisement campaign being carried on by the American textile industry that the American textile industry was going to be destroyed by the Indian textile industry. If you look at the American software industry, the American software indsutry today is actively advertising that their software industry is in great danger of being killed by the vigour and vitality of the Indian software industry. Therefore, I feel that we must develop our strength. India is not a second-rate or a third-rate country. India has all the potential of being a front-ranking country in the world.

That is the spirit which motivates our economic policies.

Shri Mehta brought up this question of washing powders and reduction in Excise duty on cosmetics. I do not think that I

have to apologise for having reduced the excise duty on cosmetics. One thing that has happened is our revenue has increased tremendously. There was also a great complaint from everywhere that there were a lot of spurious cosmetics in the market under the old system and the high Excise duty rates gave an active encouragement to the spurious types of things to flourish. I think we have reduced the incentives for them. We have collected more revenue. Well, I am not familiar with the problem of the washing powder. If there is a problem with the washing powder, we can always look into it...*(Interruptions)*. What I am saying is that as far as Excise duties are concerned, the Budget is not the last word. If there is still a problem, I can again look into it.

Finally, Shri Chimanbhai Mehta referred to the problem of moral regeneration. I think, Shri Jagmohan is not here. He said that we should have reforms in administration, reforms in politics. The economic policy is only an instrument. Economy is not an end in itself. It is only a means to improve the quality of living of our people and our people do not live in compartments. Therefore, we need new standards of morality, new standards of ethics. I respectfully submit that what we are doing is a part of that process of moral regeneraiton as well. It is a programme of economic development. It is also a programme of moral regeneration.

As I said earleir, high rates of taxes have been a big source for the generation of black money. A large number of Indian young men have come to me and they said that they want to expand their activities but they could not expand unless they stole on taxes because the tax rates are so high that if they plough back their money, declare their taxable income properly, they would have very little money left with. With the reduced taxes, I think we may hope that the old sinners may come back to the path of rectitude, but the new generation of Indians who are now entering the ranks of labour force, who have taxable income, can grow and also remain honest.

In the same way, what have we done by way of reduction in import duties? How have these smugglers, for example, acquired an important hold in some areas? Smuggling of gold and silver was the principal reason why some of these smugglers have acquired such a powerful influence. Therefore, if we reduce import duties, if quantative import restrictions are gradually done away with, if import duties are done away with, smuggling of textiles, smuggling of gold, smuggling of luxury goods will decline.

I was in Bombay as the Governor of the Reserve Bank of India some 10 or 12 years ago. I know that, for example, in Bombay, during those years....

If you went to a particular market, you could get the most expensive catalogue in the world and the most luxurious thing. You could place an order and they would promise that within three to six weeks, the things, including scotch whisky, cosmetics and all the things of the world, would be delivered. This is what we have done to our country over a period of time. The only way to reduce the hold of smugglers, anti-social elements, is to reduce the incentive for people to stray away from the path of rectitude. The controls, discretionary controls, were a similar part of the process. I have served the Ministry of Finance in many capacities. I used to see, in the Ministry of Finance, top class industrialists roaming in the corridors of the Ministry of Finance, trying to get their shares valued in a particular place and to know when they would go to the capital market. These were decisions which governments were not really good at. Therefore, we have now removed the capital issue controls. Now nobody need come. The result is, in the process, I think, misuse of powers, the discretionary authority—and the scope for corruption goes with it—has been reduced. The same is the effect of industrial

delicensing. Today, for example, the import policy has been streamlined. Industrial licensing has been gradually reduced. I respectfully submit—we may not feel it today—over a period of time, it will tone up the quality of moral life of our country. I am not saying that the task is fully accomplished. We have a large unfinished agenda. It would keep this country busy through, probably, the remaining part of this century. But India is on the right track. If we move along this path, we will emerge as a strong economy, we will emerge as a more just society, we will emerge as an economy which has a greater manoeuvrability to deal with the problems of underdevelopment, underdeveloped regions, backward communities, etc. The state will become a more caring state. That has been our objective. The Directive Principles enjoin doing this on us. We have paid a lot of lip-sympathy. But we have not had the resources to do this. I sincerely hope that the policy that we are pursuing will increase the manoeuvrability of the Indian state to deal with these neglected dimensions of social develoment.

Madam, with these words, I once appeal to this august House to approve the Finance Bill as passed by the Lok Sabha.

SHRI H. HANUMANTHAPPA (Karnataka): A small point. (*Interruptions*).

SHRI JAGESH DESAI: He has replied point by point.

SHRI H . HANUMANTHAPPA: For bobble gum and chewing gum, you have increased the excise duty. Children...(*Interruptions*).

SHRI MANMOHAN SINGH: I will go through that. (*Interruptions*).

THE DUPUTY CHAIRMAN: He has deal with everything. Excise duty, income-tax, detergent, everything he has dealt with. Now, I have only to request all those Members who have moved so many amendments to consider whether they still have to press them. (*Interruptions*).

Now, the question is:

"That the Bill to give effect to the Financial proposals of the Central Government for the financial year 1995-96, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE DEPUTY CHAIRMAN: We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 and 3 were added to the Bill.

Clause 4 (Amendment of section 10).

THE DEPUTY CHAIRMAN: There is an amendment by Shri Raghavji. Are you moving it?

SHRI RAGHAVJI (Madhya Pradesh): Yes, Madam.

I move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendments be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

"That at page 5, lines 29 to 33 be *deleted.*"

The question was put and the motion was negatived.

Clause 4 was added to the Bill.

THE DEPUTY CHAIRMAN: Now, I shall put clauses 5 and 6 to vote.

Clause 5 and 6 were added to the Bill.

Clause 7 (Amendment of section 32)

THE DEPUTY CHAIRMAN: There is one amendment by Shri Raghavji.

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at page 5, clause 7 be *deleted.*

The question was put and the motion was negatived.

Clause 7 was added to the Bill.
Clauses 8 to 12 were added to the Bill.
Clause 13 (Amendment of section 55)

THE DEPUTY CHAIRMAN: There is one amendment by Raghavji.

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—
That at page 6, clause 13 be *deleted.*
The question was put and the motion was negatived.
Clause 13 was added to the Bill.
Clauses 14 to 15 were added to the Bill.

THE DEPUTY CHAIRMAN: Now, we come to Clause 16. There is one amendment by Shri S. Madhavan, but he is not present here.
Clause 16 was added to the Bill.
Clauses 17 to 19 were added to the Bill.
Clause 20 (Amendment of Section 80L)

THE DEPUTY CHAIRMAN: There is one amendment by Shri Raghavji.

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—
That at page 8 line, 50 *for* the words 'thirteen thousand' the words 'fifteen thousand' be *substituted.*"
The question was put and the motion was negatived.
Clause 20 was added to the Bill.
Clauses 21 to 23 were added to the Bill.
Clause 24 (Insertion of new section 113)

THE DEPUTY CHAIRMAN: There is one amendment by Shri Raghavji.

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—
That at page 9 line 4, *for* the words 'sixty' the word 'forty' be *substituted.*"
The question was put and the motion was negatived.
Clause 24 was added to the Bill.
Clause 25 (Amendment of section 115K)

THE DEPUTY CHAIRMAN: There is one amendment by Shri Raghavji.

SHRI RAGHAVJI: I am not pressing the amendment.

Clause 25 was added to the Bill.
Clause 26 was added to the Bill.
Clause 27 (Amendment of section 133)

THE DEPUTY CHAIRMAN: There is one amendment by Shri Raghavji.

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—
That at page 9, clause 27 be *deleted.*
The question was put and the motion was negatived.
Clause 27 was added to the Bill.
Clauses 28 was added to the Bill.
Clause 29 (Amendment of section 139)

THE DEPUTY CHAIRMAN: There is one amendment, No. 11, by Shri Raghavji.

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—
That at page 9, clause 29 be *deleted.*
The question was proposed.

SHRI M.A. BABY (Kerala): Madam, is it permissible to move an amendment

and not to vote for it? I want a ruling on this.

THE DEPUTY CHAIRMAN: He is moving it.

SHRI M.A. BABY: But having moved the amendment, is it permissible not to vote for it?

SHRI MD. SALIM (West Bengal): He is moving the amendments against his party's policy.

SHRI M.A. BABY: Madam, this is a serious matter. I would like to have a ruling on this.

THE DEPUTY CHAIRMAN: There is no ruling on this. It is only that Mr. Raghavji wants me to keep reading and he is dragging my fee.

SHRI M.A. BABY: Madam, it is unruly to move an amendment and not to vote for it.

THE DEPUTY CHAIRMAN: I shall now put Shri Raghavji's amendment to vote. The question is:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at page 9, clause 29 be *deleted.*"

The motoin was negatived.

Clause 29 was added to the Bill.

Clause 30—Substitution of new section 139A.

Permanent account number.

THE DEPUTY CHAIRMAN: There is one amendment, No. 12, by Shri Raghavji.

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

(12) That at pages 9 to 10 *for* clause 30 the following be *substituted*, namely:—

For section 139A of the Income Tax Act the following sections shall be substituted with effect from 1st day of July, 1995, namely:—

139A(1) every person:—

(i) who has furnished his return of income U/S 139 of the Act, or

(ii) who is required to furnish a return of income U/S 139 (4A) of the Act, or

(iii) who has been assessed to income tax by the Assessing Officer and who has not been allotted a permanent account number shall be allotted a permanent account number by the Assessing Officer."

The question was proposed.

श्री राघवजी: मैडम, मुझे एक बात कहनी है। इस बारे में मुझे वित्त मंत्री जी से कहना है कि आप यह क्यों चाहते हैं कि 50 हजार की बिक्री वालों को भी पर्मनेंट अकाउंट नंबर लेना पड़े क्योंकि वह तो बहुत छोटा व्यक्ति होता है? उस को इनकम टैक्स देने की जरूरत कभी नहीं पड़ेगी। इसी तरह से 50 हजार की खरीद वालों को भी नहीं पड़ेगी। इसलिए मेरा निवेदन है कि आप इस को कंसीडर कर लें वरना यह कंफ्यूजन हो जाएगा और हर छोटा दुकानदार जैसे कि खोमचेवाला, पान वाला, चाय वाला, सब परेशान होंगे।

SHRI MANMOHAN SINGH: Madam, this is necessary if we really have to move towards a tax system which curbs tax evasion. As I mentioned in my earlier intervention, in the United States every citizen requires a social security number. That provides a powerful check on tax evasion because every payment that is made by any institution is automatically reported to the tax authority. I believe honest citizens have nothing to fear. If they don't want to pay tax, I think, that is the end of the matter. Merely getting a permanent number should not be considered as a hindrance or a disadvantage.

श्री राघवजी: नहीं हिंदुस्तान के लिए तो यह बिल्कुल ठीक नहीं है। 50 हजार का मतलब होता है खोमचे वाला। वह कैसे पर्मनेंट अकाउंट नंबर के लिए एप्लायी करेगा?

These are the reasons why I have moved my amendment.

THE DEPUTY CHAIRMAN: You have your right. Mr. Raghavji, it is your right, as a Member, to express your opinion.
and move your amendment. Now I will put it to vote. The question is:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made if the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at pages 9 to 10 *for* clause 30 the following be *substituted*, namely:—

For section 139A of the Income Tax Act the following sections shall be substituted with effect from 1st day of July, 1995, namely:—

139A(1) every person:—

(i) who has furnished his return of income U/S 139 of the Act, or

(ii) who is required to furnish a return of income U/S 139 (4A) of the Act, or

(iii) who has been assessed to income tax by the Assessing Officer and who has not been allotted a permanent account number shall be allotted a permanent account number by the Assessing Officer."

The motion was negatived.

Clause 30 was added to the Bill.

Clause 31—Substitution of new section for section 145—Method of accounting.

THE DEPUTY CHAIRMAN: There is one amendment, No. 13, by Shri Raghavji.

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at page 10, clause 31 be *deleted.*"

The question was put and the motion was negatived.

Cause 31 was added to the Bill.

Clause 32—Insertion of New Chapter XIV-B.

THE DEPUTY CHAIRMAN: There is one amendment, No. 14, by Shri Raghavji.

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at pages 11 to 12, clause 32 be *deleted.*"

The quesiton was proposed.

THE DEPUTY CHAIRMAN: I must say that Mr. Raghavji has gone through the Bill. He is really expressing his views. He has a right to express his views in the form of amendments.

SHRI MD. SALIM: The point is that the BJP Members are not there to support his amendments. He could have come to us. The CPI(M) is ready to support him.

THE DEPUTY CHAIRMAN: I can understand that you are ready to support Shri Raghavji. You can still support him.

SHRI RAGHAVJI: You understand the amenements and support them.

THE DEPUTY CHAIRMAN: Now I shall put the amendment moved by Shri Raghavji to vote. The question is:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at pages 11 to 12, clause 32 be *deleted.*"

The motion was negatived.

Clause 32 was added to the Bill.

Clause 33 (Amendment of section 194A)

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at page 13, clause 33 be *deleted.*"

The motion was negatived.

Clause 33 was added to the Bill.

Clauses 34 and 35 were added to the Bill.

Clause 36 (Insertion of new section 194J and 194K

SHRI RAGHAVJI: Madam, I beg to move:

That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at pages 13 to 15, clause 36 be *deleted.*"

The motion was negatived.

Clause 36 was added to the Bill.

Clauses 37 to 47 were added to the Bill.

New Clause 47A

SHRI RAGHAVJI: Madam, I beg to move:—

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at page 16, *after* clause 47, the following clause be *inserted,* namely:—

'47A. In section 271A of the Income Tax after the words by way of penalty the words "to maximum amount of rupees five thousand" shall be *inserted.*"

The motion was negatived.

Clause 48 (Amendment of section 271B)

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at page 16, clause 48 be *deleted.*"

The motion was negatived.

Clause 48 was added to the Bill.

NEW CLAUSE 48A

SHRI RAGHAVJI: Madam, I beg to

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at page 16, *after* line 38 the following be *inserted,* namely:—

48A. In section 271B of the Income Tax Act after the words "by way of penalty" the words "to a maximum amount of rupees ten thousand" shall be inserted."

The motion was negatived.

New Clause 48B

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

'That at page 16 *after* line 38 the following be *inserted,* namely:—

48B. In section 271 D of the Income Tax Act after the words "by way of penalty" the words "a maximum amount of rupees ten thousand" shall be inserted."

The motion was negatived.

New Clause 48C

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the

following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha,, namely:—

"That at page 16 *after* line 38 the following be *inserted,* namely:—

48C. In section 272 A(2) of the Income Tax Act after the words "by way of penalty" the words "a maximum amount of rupees five thousand" shall be inserted."

The motion was negatived.

New Clause 48D

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

"That at page 16 *after* line 38 the following be *inserted,* namely:—

48D. After section 234C of the Income Tax Act the following section shall be inserted namely:—

234D. The total amount of interest leviable under the above section shall in no case exceed the amount of Income Tax."

The motion was negatived.

Clauses 49 to 92 were added to the Bill.

THE DEPUTY CHAIRMAN: Mr. Chimanbhai Mehta, are you moving your amendment? You are not moving.

आप मूव कर रहे हैं या विड्रा कर रहे हैं? अब आपका कांसेटिक वगैरह सब हो गया। ...(व्यवधान) ... वाशिंग पावडर भी हो गया।

श्री चिमनभाई मेहता: मूव नहीं कर रहा।

उपसभापति: ठीक है। राघवजी, अब बहुत हो गया, आप भी विदड्रा कर लीजिए।

श्री राघवजी: मैडम, यह बहुत खास है।

उपसभापति: आपका वह अभी होगा नहीं। क्या फायदा?

श्री राघवजी: फायदा नहीं, मैडम, ओन रिकार्ड तो आएंगे।

उपसभापति: ठीक है।

THE FIRST SCHEDULE

SHRI RAGHAVJI: Madam, I beg to move:

That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at page 25 *for* lines 11 to 17 the following be *substituted* namely:—

(1)	Where the total income does not exceed Rs. 50,000.	NIL.
(2)	Where the total income exceed Rs. 50,000 but does not exceed Rs. 1,00,000.	20% of the amount by which total income exceeds Rs. 50,000.
(3)	Where the total income exceeds Rs. 1,00,000 but does not exceed Rs. 2,00,000.	Rs. 10,000 plus 30% of the amount by which total income exceeds Rs. 1,00,000.
(4)	Where the total income exceeds Rs. 2,00,000.	Rs. 50,000 plus 40% of the amount by which total income exceeds Rs. 2,00,000.

The motion was negatived.

SHRI RAGHAVJI: Madam, I beg to move:

"That the Rajya Sabha recommends to the Lok Sabha that following amendment be made in the Finance Bill, 1995, as passed by the Lok Sabha, namely:—

That at page 25 *for* lines 22 to 26 the following be *substituted* namely:—

(1)	Where total income does not exceeds Rs. 24,000.	NIL.
(2)	Where total income exceeds Rs. 24,000 but does not exceeds Rs. 1,00,000.	30% of the amount by which total income exceeds Rs. 24,000.